

EUROPEAN NEWS

EEC action urged to attract US tourists

By Our Rome Correspondent

THE COUNTRIES of the European Community must take concerted action to combat the drastic fall in the number of US tourists planning to visit Europe this year, Mr Carlo Ripa di Meana, the EEC commissioner responsible for tourism, said here yesterday.

In Italy alone, cancellations by US visitors are running at 50-70 per cent of bookings because of fears about terrorism accentuated after the recent US attacks on Libya. France, he said, is facing a drop of 30 per cent.

Mr Ripa di Meana, who is one of Italy's two EEC commissioners, has proposed that there should be a meeting of EEC tourism ministers to discuss the issue and to consider launching a promotional campaign in the US to allay fears for Americans about the risks of coming to Europe.

However, the proposal, despite having the backing of Mr Jacques Delors, the president of the Commission, has met opposition from both the Netherlands' current holders of the EEC presidency, and from Britain, Mr Ripa di Meana said.

He pointed out that Israel had always succeeded in keeping up the flow of US tourists despite wars and terrorism in the Middle East. Mexico had laid on a promotional campaign in the US immediately after the earthquake in Mexico City last September and its tourist earnings were little affected, he said. In Europe, however, governments were taking "an ostrich-like attitude."

"A few weeks ago, some US travel operators came to see me in Brussels," said Mr Ripa di Meana. "They showed me some video clips of US TV programmes about the dangers of travelling to Europe, in which people were advised to stay at home. Then they asked me what we Europeans were doing about it. I found it hard to give them an answer."

The commissioner said that a coordinated European policy on dealing with the decline in US tourism was essential, not just as a means of developing an EEC tourism policy, but because Americans regarded Europe as "one big area."

"They don't distinguish between, say, Belgium and West Germany," he said.

Rupert Cornwell examines a conflict that could pose problems for the EEC and for Bonn

W. German regions demand louder voice in Brussels

THE CHECKS and balances implicit in West Germany's federal structure are one thing—and probably quite a good one, most people would agree. The possibility, though, that the country could end up having a dozen separate embassies to the European Community might be enough to make even the most committed federalist think twice.

It has not come to that yet of course. But already, two West German states or *Laender*, Hamburg and the Saarland, have set up "information and economic promotion" offices in Brussels. By the end of the year another six could have joined them, including heavyweights like North Rhine-Westphalia, Bavaria and Baden-Wuerttemberg.

On the face of it, such a show of interest in the Community on the part of the West German regions might appear unexceptionable. After all, West Germany is not only far and away the biggest financial contributor to the EEC, it also receives a considerable sum (DM 2.5bn in 1984) back in the shape of aid and soft loans.

Matters, unfortunately, are not so simple. For those proliferating offices are visible proof of a gathering conflict which, if unchecked, could not only throw an additional heavy spanner into the already clogged up works of the Community, but also erode the constitutional right of the federal Government in Bonn to conduct foreign policy.

The Foreign Ministry here has long since learnt to put a brave face on the foreign sorties of state politicians. The globetrotting of Mr Franz

Josef Strauss, Prime Minister of Bavaria, may be an irritatingly obvious challenge to his detested rival, the Foreign Minister, Mr Hans-Dietrich Genscher. But, officials admit, it can serve national interests. Much of the same goes for Mr Lothar Spaeth of Baden-Wuerttemberg, another whom the publicity advantages of constant foreign travel have not escaped.

Not does the West German "basic law," or constitution, of 1949 offer much practical assistance. Foreign policy is the duty of Bonn, its article 32 says, but before the conclusion of a treaty which affects the special interests of any state, that state "is to be consulted at the proper time." Alas, Bonn and the *Laender* cannot agree when that should be.

In one sense, it is a three-

Helmut Kohl never fails to dwell.

It is tempting to link this insurrection in the provinces to the limp foreign policy performance of Mr Kohl. In fact, though, his predecessor, the far from ineffectual Mr Helmut Schmidt, suffered too. Back in 1979, at the height of his powers, complaints from the *Laender* obliged him to promise them "full and trust-

ful and trust-

ful and trust-

ful and trust-

ful and trust-

ful and trust-

ful and trust-

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ful and trust-

SHRINKING FOREIGN DEMAND CUTS INDUSTRIAL ORDERS IN MARCH

NEW ORDERS booked by West German industry fell by a seasonally adjusted 2 per cent in March, due almost entirely to a sharp contraction in foreign demand following the substantial revaluation of the D-mark since last autumn, writes Rupert Cornwell in Bonn.

Yesterday's figures from the Economics Ministry here come 24 hours after data showing that, for the second

consecutive month, output by West German manufacturing industry also declined. Taken together, the evidence casts doubt on whether, on the basis of the first quarter of 1986 at least, the West German economy is on course to achieve the 3.5 per cent growth for the year as a whole expected by government and independent forecasters alike.

Foreign customers reduced

their orders in March by 6 per cent. Although domestic orders held steady over the month, there is as yet little sign that home demand Domestic orders are currently running below the level of last autumn, the adjusted figures make clear.

Demand for capital goods is expected to surge this year as West German corporations, buoyed by strong 1985 profits

and high capacity utilisation, step up spending. In fact, though, this stood in March at around the same level as the final quarter of last year.

There are some signs that buyers are now holding off, in the hope that West German suppliers, faced with intensifying foreign competition and cheaper raw materials, decide to cut their own prices further in the weeks and months ahead.

Brussels, however, is closer to home. "In principle, we have no objections to these offices," says a senior Bonn diplomat. "But we won't accept that they put in an infrastructure and become real embassies of the *Laender*."

At the heart of the struggle is an ever sharper contradiction: between the steadily advancing powers of the Community and the authority devolved under West Germany's much admired federal structure to the individual *Laender* in fields such as education, health and the environment.

cornered bureaucratic battle, typical of our times, involving central government here and the mini-governments in the states, jealous to guard the substantial powers they already have, and officialdom in Brussels.

More profoundly though, the unhappiness of the states reflects the fear that high German standards—and their prerogative to maintain them—will be dragged down as Bonn's negotiators in Brussels surrender national interests to the greater good of "Community progress," on the virtues of which Chancellor

ing co-operation" over EEC affairs.

As a result, the existing permanent Land representative in Brussels was given the right of observer status at EEC Council meetings, and empowered to report back to the individual states afterwards. But that, plainly, is no longer enough.

At the heart of the *Laender* unrest lie fears about Community harmonisation. The new last year over cap-pulation saw Bonn ultimately accept a compromise on exhaust emissions less rigorous than it was seeking, and then

achievement of a genuine European internal market by 1992. The implicit threat that the states will be obliged to scrap some of their own norms for less stringent "lowest common denominator" EEC solutions, fanned the smouldering revolt into flames.

And there is a perfect battlefield to hand. By law, the draft Luxembourg package must be approved not only by the Bundestag (the lower house of Parliament) but also by the *Laenderparlamente*, the upper house made up of representatives of the *Laender*.

In February, came the first

Gibraltar calls for inquiry into shipyard

By Our Gibraltar Correspondent

THE GIBRALTAR Government has called for an inquiry into the closure of a shipyard, claiming that the yard was an effort to halt its closure.

The yard, which was built over a year ago, supported by UK government aid of £200,000, was managed by A. P. Spence, whose managing director, Mr Brian Abbott, says it will close in a few weeks unless British aid resumes.

The yard has been built at a few thousand pounds short of the £200,000 as a result of industrial action in the yard over pay and conditions. Britain is also withdrawing aid to the yard, which is now in a state of financial collapse.

The management recently admitted that it lost £800,000 on one tanker job.

Rome's city fathers quickly lose their taste for fast food chain

By James Buxton in Rome

IT SEEMED a good idea at the time. When McDonald's the US fast-food chain, applied to open a restaurant in the Piazza di Spagna in the heart of Rome, the city council had little hesitation in granting a licence.

Yet, from the day in mid-March when McDonald's opened for business, and after the Italian franchisee had invested several million dollars in the project, the city fathers have been trying to

find a good reason to close it down.

The issue has now acquired a judicial dimension, with the decision of Italy's top clothes designer, Valentino, who works just behind the restaurant, to seek an injunction banning it on the grounds that it makes too much smell.

By McDonald's standards elsewhere, the Rome establishment looks discreet. There is no bright red sign outside, and the marble and the Roman lettering inside

should have made the new arrival in the elegant 17th century square relatively unobtrusive.

But from the start, McDonald's has been far too popular. Freshly cooked hamburgers are almost unknown in Rome, and the cheap prices attract young people from all over the capital. Some 200,000 hamburgers are sold to have been sold in the first fortnight, and each evening the Piazza di Spagna, in the heart of

the city's smartest part, is thronged with motorcycles and mopeds.

Yet more people arrive on the metro, which is conveniently located a few hundred yards away. Security guards have to control the entrance to prevent the restaurant becoming overcrowded. The city council has also come under heavy pressure from traditional bars in the centre of Rome, whose own idea of fast food is to produce expensively toasted sandwiches and

defrosted hamburgers.

The council, which meets on the ancient Roman Capitol, the Campidoglio, at first thought it was on to a winner when it found that the precise terms of the building licence had been breached fractionally in order to comply with even more stringent from the McDonalds' extractors fans, and the smell is contaminating his vast wardrobe. His case should have its first hearing at the end of next week.

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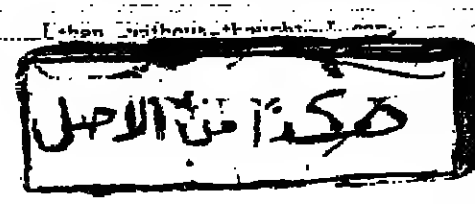
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حزب العمال

EUROPEAN NEWS

Bundesbank to hold discount rate

By Jonathan Carr in Frankfurt THE WEST German Bundesbank has decided not to cut its key discount and Lombard rates for the present, despite some speculation...

The Bundesbank's policy-making central council yesterday agreed to leave discount rates at 3.5 per cent and the Lombard at 5.5 per cent...

French deal on agents jailed in NZ likely

By DAVID HOUSEGO IN PARIS

FRANCE and New Zealand appear likely to reach agreement over the coming weeks on the future of the two French agents imprisoned in New Zealand...

into France. New Zealand diplomats in Paris confirmed yesterday that the French had removed curbs on imports of processed kiwi fruit...

main priorities on taking office in March. Mr David Lange, New Zealand's Prime Minister, also believed that the arrival of a new government in France could help break a deadlock...

for some 7 per cent of New Zealand goods sold in France. France agreed to lift restrictions on processed kiwi fruit after New Zealand on Friday protested through the General Agreement on Tariffs and Trade...

OBITUARY

Defferre: pillar of French socialism

MR GASTON DEFFERRE, one of the pillars of the French Socialist movement and powerful mayor of Marseilles for the past 33 years, died yesterday at the age of 75 after a fall on Tuesday, writes Paul Betts in Paris.

His death came shortly after a fierce political battle for leadership of the local Socialist party which he lost to his much younger rival and one-time mayor, Mr Michel Pezet.

Mr Defferre's death caused not only a severe shock in the city but a wave of emotion elsewhere in the country, especially throughout the political establishment.



Communists out of the town hall. His political strategy became known as the "Systeme D".

However, in recent years he had to make local deals with the Communists to stay in power in the face of the advance of the right and the challenge of Mr Jean Claude Gaudin, president of the centrist UDF group in the National Assembly...

CHERNOBYL DISASTER

Reports of panic in Kiev discounted

By PATRICK COCKBURN IN MOSCOW

REPORTS of panic in Kiev, the Ukrainian capital 80 miles south of Chernobyl, scene of a nuclear reactor accident over a week ago, were strongly discounted by Western diplomats in Moscow yesterday.

"Nobody has mentioned panic in the streets, but there is an undercurrent of concern," said a Western diplomat who had just spoken to a number of his nationals in the city.

He said the radiation in the clothes of eight students who arrived by train from Kiev yesterday morning was down from the figure registered in the clothing of students who came on Monday.

The eight students said they had all received radiation checks from the Soviet authorities and added that any Soviet in Kiev who wanted a radiation

check could get one. They said that some people had registered higher levels of radioactivity than themselves but not at dangerous levels.

They also said they were warned by Soviet officials at various times "not to go without a hat, or drink untreated water." They were also told to wash fruit and vegetables before eating them.

They added, however, that people in Kiev often stopped foreigners in the street and asked them what was happening at Chernobyl. Others asked

foreigners why the gravity of the accident was being exaggerated in the west. Soviet press accounts from the Chernobyl area yesterday continued to stress that everything was under control.

The Soviet news agency Tass revealed that livestock from the "forbidden zone" 33 kms around the plant have not been "liquidated" as previously reported.

Tass special correspondents wrote that among the convoys of vehicles leaving the zone were "many lorries carrying animals. Cattle and horses are being evacuated from the accident area and domestic animals have not been left behind."

Mr Grigory Revyenko, the Communist Party first secretary for Kiev who organised the evacuation, said getting people

to leave agricultural areas was difficult. "Many of the peasants did not want to abandon their places but it was out of the question to risk people and their health."

He told Tass that he had no problem with milk and bread supplies and that all "vegetables delivered to the towns are tested twice: in the field and on the shop shelves." Hundreds of trucks were being used to wash down the roads throughout the area, Tass said.

The Soviet press continues to attack the US and the Western press for giving fictitious and exaggerated accounts of the disaster. More specifically it says that the Soviet Union is the victim of a propaganda attack designed to mask US moves against Libya and failure to negotiate over nuclear weapons control.

China to pursue N-plans

By Colina MacDougall

CHINA will press ahead with its nuclear power programme despite the Soviet disaster as its technology will be much safer, according to senior Peking officials.

Jiang Shengjie, director of China's Nuclear Safety Administration, told a news conference earlier this week that, using foreign experience, China was adopting the safest design programme which involves three protective screens round the reactor.

Safety regulations for nuclear operations had been strengthened, he said, and there was strict supervision to see they were carried out.

Shen Junxiang, senior official at Daya Bay in Guangdong, where site work for foreign-supplied 1800 MW nuclear power plant has begun, said Hong Kong people should "set their minds at ease" since the safety measures would make the plant "relatively safe."

The Daya Bay plant, one of two currently under construction in China, is expected to be completely equipped by foreign companies, with Framatome of France providing the reactor and GEC of Britain the turbines, though discussions on costs are still taking place with the proposed British partners.

The second, at Qinshan near Shanghai, will incorporate a reactor vessel from Mitsubishi of Japan, coolant flux from Framatome and fire-resistant cables and pumps from other European companies. The plant is intended to generate 300 MW, though Chinese nuclear industry officials are pushing for expansion to 1500MW.

WHO experts criticise EEC food ban

By HILARY BARNES IN COPENHAGEN AND PAUL CHEESERIGHT IN BRUSSELS

EXPERTS FROM the World Health Organisation have criticised the European Community ban on food imports from Eastern Europe following the Chernobyl nuclear disaster.

"There is no public health justification to support such restrictions with the exception of products coming from the contaminated area around the site of the accident and possibly from limited areas of enhanced contamination which might exist in certain countries due to rainfall during the passage of the cloud," they said in a statement issued in Copenhagen yesterday.

The Community has barred the import of selected fresh food products and animals from Eastern Europe until the end of the month as a protective measure designed to safeguard consumers from the effects of radioactivity. It will be formally reviewed on May 20.

Senior officials reached agreement on the terms of the ban after several hours of somewhat acrimonious discussion yesterday.

The products covered include those put forward by the European Commission on Tuesday—milk products, meat, vegetables, live cattle and game. This list was extended by the twelve yesterday to embrace snails, donkeys, horses, chicken and honey.

The suppliers affected are Bulgaria, Czechoslovakia, Hungary, Poland, Rumania, the Soviet Union and Yugoslavia. Yugoslavia was not on the list

of countries originally put forward by the Commission when it drew up proposals for the import ban. It was added at the insistence of Italy, a major buyer of Yugoslav products, apparently in the face of West German opposition.

The Community has also set a limit of 500 becquerels of radioactivity per litre of milk beyond this, the milk should not be traded among EEC countries. The WHO statement said restrictions on consumption of milk might be justified at levels of 2,000 becquerels per litre.

"La Manga Club is perhaps the most remarkable development in all Spain"

Daily Telegraph

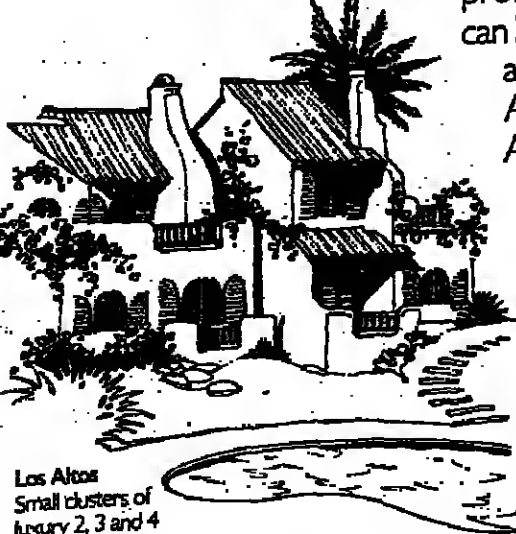
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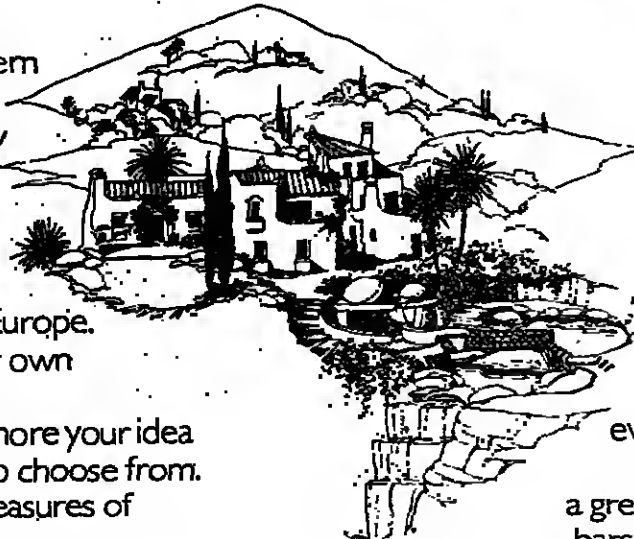
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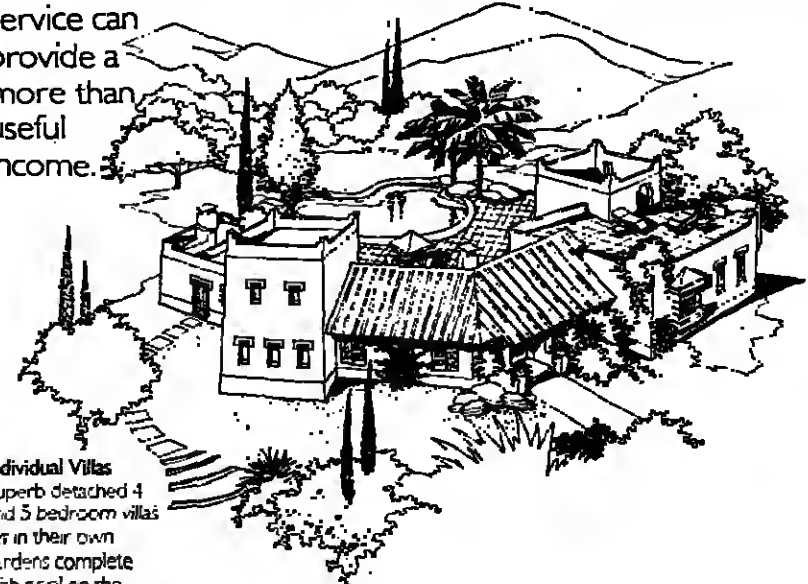
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AMERICAN NEWS

Volcker backs moves to shore up failing banks

BY STEWART FLEMING IN WASHINGTON

FEDERAL Reserve Board Chairman Paul Volcker yesterday put his weight behind proposals to shore up fragile sectors of the US banking industry...

Tax reform proposals clear first hurdle

By Stewart Fleming in Washington

PROPOSALS for a sweeping reform of the US tax code, which cleared the Senate Finance Committee late on Tuesday night, will run into fierce opposition from business and other interests when they come up for debate on the floor of the Senate.

Bernard Simon looks at the impact of falling oil prices Alberta puts on a brave face



THE BLUE-EYED sheiks who govern the Canadian oil-producing province of Alberta are putting a brave face on the slump in oil and gas prices. They talk of the advantages which oil's problems create for other industries...

renewable resources. Its income from this source totalled C\$551m in the second half of last year, bringing the fund's total assets to C\$12.8bn on December 31. Two-thirds of the heritage fund is invested in income-producing ventures within Alberta.

Costa Rica risks being declared in default

COSTA RICA risks being declared formally in default on its \$8bn foreign debt after announcing yesterday that it was temporarily suspending interest payments because of an acute shortage of foreign exchange.

Senate passes law to weaken gun controls

BY NANCY DUNNE IN WASHINGTON

LEGISLATION making it easier to buy, sell and transport firearms was approved by the US Senate in Tuesday and was forwarded to the White House, where President Ronald Reagan is expected to sign it.

Mexico's trade surplus falls by 68% in first quarter

BY DAVID GARDNER IN MEXICO CITY

MEXICO'S trade surplus fell by more than two thirds in the first quarter of the year, largely as a result of the collapse in crude oil prices, according to preliminary figures from the Planning Ministry.

Peru agrees to pay off IMF arrears

PERU HAS agreed to pay off all its arrears to the International Monetary Fund by the middle of August, our Euromarkets correspondent reports.

Election called in Barbados

BARBADOS' Governor General Sir Hugh Springer, has dissolved Parliament and called general elections for May 29, reports Tony Cozier from Bridgetown.

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* Extract from the Statement by E.W. Phillips, MBE at the Annual General Meeting on 7th May 1986.

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سكدا من الاجل

WORLD TRADE NEWS

Indonesia liberalises foreign investment and trade rules

By Michael Byrnes in Jakarta

THE INDONESIA Government yesterday announced a major package of liberalisations of rules covering foreign investment and commodity trade. The key foreign investment changes... The 51 per cent Indonesian equity requirement still cannot be met within 10 years...

Hyundai and Mitsubishi link for new car venture

By Steven B. Butler in Seoul

HYUNDAI MOTORS of South Korea and Mitsubishi Motors of Japan have reached agreement to develop and manufacture jointly a mid-size line of cars... Production of the cars is set to begin in 1987...

Backhoe loaders braced for tough year

By Nick Garnett



THE WORLD'S manufacturers of backhoe loaders are bracing themselves for an even tougher trading year than usual. This follows the emergence of Caterpillar Tractor, the American construction equipment maker into an already saturated market... Cat has said that it intends advancing from a standing start to about 20 per cent of the world backhoe market...

hoes for five years and actually reduced them by 8 per cent last year.

Mr Bob Reed, Cat's merchandising manager for Europe, Africa, and the Middle East, said last month that Cat intended to confront the opposition head on but that did not imply a price war.

The industry has already been subjected to considerable rationalisation. Hymac among others dropped out of backhoe manufacturing some years ago and Deere has virtually withdrawn from the European scene.

Despite this rationalisation a wide range of small backhoe loader builders are active in Europe, particularly in Italy, the largest of which is FAI.

This will be Komatsu's first production venture in the EEC and followed the introduction of EEC anti-dumping duties ranging from 2.9 to 31.9 per cent, including 26.6 per cent on hydraulic excavators.

Cast-iron, steel imports 'hitting US companies'

THE US International Trade Commission has ruled that imports of cast-iron fittings and steel off-shore oil equipment have damaged domestic companies and ordered that duties be imposed on the imports.

Algeria acts to cut currency disbursements

ALGERIAN state companies are asking Western companies with whom they are signing new contracts in 1986 to agree that the 15 per cent down-payment be financed on the same terms as the rest of the contract...

Westland-Saab deal

WESTLAND Helicopter of the UK has appointed Saab-Scania, the Swedish automotive and aerospace group, as its representative in Sweden in an agreement which could lead to eventual joint helicopter production in Sweden.

Alfa-Nissan project

Alfa Romeo, Italy's second largest car maker, yesterday confirmed plans for its 50-50 joint venture with Nissan of Japan to replace the unsuccessful Alfa-Nissan Arna car project near Naples with a new one to build off-road four-wheel vehicles for both civilian and military use.

SUMITOMO TRUST: A New Prominence For Trust Business

INSIGHT INTO CORPORATE STRATEGY

Sumitomo Trust, established in 1925 as one of Japan's first trust companies, has grown into one of the country's leading financial institutions. The liberalisation and internationalisation of domestic financial markets have created important new challenges and opportunities for the bank.



Mr. Osamu Sakurai, President, The Sumitomo Trust & Banking Co., Ltd.

By Glenn Davis

Advertisement for The Distressed Gentlefolk's Aid Association. Includes a photo of Johnny Morris and text: "In all my travels I've become more and more aware that care for older people is a growing problem in many parts of the world..."

Davis: The Japanese trust banking market was finally opened to foreign institutions last autumn. What effect has this move had so far on established trust banks like yours?

Sakurai: A total of nine foreign trust banks were granted permission to enter the Japanese market last October, but since these banks still cannot carry out activities on a full scale, their influence has not yet been felt.

Such names as Morgan Guaranty, Citibank, and Bankers Trust conjure up images of respect in Japanese minds. Having a long history in the business and being steeped in the foreign approach to trust business, they will become formidable competitors in the Japanese market.

Changing Japanese Investment Patterns

Davis: The level of Japanese deposits and savings recently has risen to phenomenal levels. Furthermore, it is said that Japanese savers are becoming more adept at investment and that this new "hot money" must seek higher interest rates and yields.

Sakurai: One of the greatest advantages of Japanese trust banks is that they can offer a wide range of services from savings through investment. In this sense, you could probably say that the portfolio management business of trust banks is currently receiving much attention.

One shouldn't get the impression, however, that all the enormous surplus funds in Japan are "hot money". In fact, quite a lot of funds are being invested in high-risk, high-return assets. "Zaitech" is a fashionable word these days among Japanese companies, and it simply means making money through money games rather than through selling products or services.

The national average savings rate of Japan seems extremely high, at about 20 per cent. Many foreign observers therefore criticise the Japanese tax system for unduly favouring those with large savings—because of the fact that tax isn't levied on savings accounts of 13 million or less.

Japan is aging rapidly. In another 10-15 years, we will have one of the world's highest average ages. In order to cope with problems presented by this aging trend, we have introduced and developed an employees' pension plan. We also hope to develop an individual pension plan, but Japan's tax system does not as yet permit preferential treatment of such funds.

Davis: Japanese trust banks are known as "institutional investors" not only in Japan but also abroad. What is your current investment strategy?

Sakurai: We must manage funds for investors as if we were in their shoes. As a company that adheres to such a policy, we naturally enjoy a reputation as a "leading institutional investor". I am opposed to the sort of fund management which sacrifices the investors' interest to turn a profit.

Most of our pension funds are being invested in bonds. The Japanese still prefer prudent and conservative forms of investment. However, as the market becomes more competitive, there will probably be a larger demand for high-yield performance which will, in turn, increase equity investment.

I also hope to expand our real estate portfolio. Under Japanese law, trust banks may not invest more than 20 per cent of their pension funds in real estate. Japan's population is crowded into a limited amount of habitable land so real estate value is expected to stay high, making it an attractive long-term investment.

Increasing Securitisation

Davis: How is your bank coping with the expanding trend toward "securitisation", that is, the shift from loans to securities?

Sakurai: This trend has largely resulted from the diversification of the forms of finance becoming available to the borrower. Even ordinary customers are no longer satisfied with simple bank loans so securities are naturally becoming more popular. On the other hand, most savers regard securities as one of today's safer assets because of their high transferability.

The Sumitomo Trust Group can cover a wide area—as underwriter, broker, investor, trustee and custodian—so we must capitalise on these new needs. The days are long gone when customers were satisfied with only quantity. They are now demanding high-quality services, and we must respond.

Davis: As major financial instruments shift from loans to securities, won't your profits be affected by fluctuation in the securities market?

Sumitomo Trust & Banking Co., Ltd.

Head Office: 4-4, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100, Japan. Phone: (03) 286-1111. Telex: J28631. London Office: 62/63 Threadneedle Street, London EC2R 8BR, U.K. Phone: (01) 628-5621/9. Telex: 888924, 8811041. Sumitomo Trust International Limited: 62/63 Threadneedle Street, London EC2R 8BP, U.K. Phone: (01) 628-8151. Telex: 8812443. Overseas Network: New York, Los Angeles, Toronto, Cayman, São Paulo, Bahrain, Frankfurt, Zurich, Luxembourg, Hong Kong, Singapore, Sydney, Jakarta, Beijing.

How are you dealing with this problem? Sakurai: Until recently bankers have only been occupied with credit risk management, and didn't even consider market risk management.

There was no need to think about the marketability of assets or price. However, in the last few years, along with the securitisation of banks, we began to deal with various currencies. Interest rate risks and currency risks increased accordingly. ALM is also popular among Japanese bankers, but in order for it to work effectively, the structure of the companies must be reorganised.

Last year, Sumitomo Trust undertook a massive reorganisation of its internal structure. We set up two divisions, one for handling interest rate regulated products and the other for unregulated products. Therefore, we came up with our first realistic approach to solving the problem of applying market risk management.

Davis: What about your approaches to fund raising? Have you changed your tactics recently?

Sakurai: As always, the problem in this business is matching assets and liabilities. Our credibility was greatly improved last year after we received an Aaa rating from Moody's. This enabled us to raise funds abroad more smoothly, and our ALM was improved. Our fund availability was increased while our funding costs were lowered.

Growing Tokyo Market

Davis: Will the significance of Tokyo as a financial centre rise as deregulation advances step by step?

Sakurai: Although stronger, the yen still has a very low share of the international currency market, and doesn't reflect the true strength of the country's economy. If Tokyo opens an off-shore market like the IBF in New York, I believe the yen will very rapidly become more international. Of course, there will be some limitations in that the dollar will continue to remain the most important international reserve currency.

Tokyo bridges the time difference between the two financial centres of New York and London. Furthermore, it is also an attractive market because of its large number of investors. Tokyo has the potential to grow into an international financial centre on the scale of New York or London. We believe that our leading position in the Tokyo market will continue to allow us to provide better financial services to a growing number of customers.

OVERSEAS NEWS

Iraqi air strike leaves vital Tehran oil refinery ablaze

BY RICHARD JOHNS IN LONDON

AN OIL refinery on the southern outskirts of Tehran, Iran's biggest oil processing facility, was set ablaze yesterday by an Iraqi bombing raid which seems bound to escalate the 5½-year-old Gulf war.

The attack came as Iran continued to mass troops on the southern central sector of the border where Iraqi forces have recently established a foothold in response to the Iranian occupation in February of the Fao peninsula.

Yesterday's Iraqi air strike against Tehran resulted in a huge blaze visible 10 miles away. The fire was reported to have spread to three separate parts of the refinery complex as the south-east of the Iranian capital was covered by a thick pall of black smoke.

The refinery's capacity was raised in 1984 to 254,000 barrels a day and is believed to account for nearly 45 per cent of the country's total output. The blaze was rapidly brought under control and the plant's two catalytic cracking towers appeared to be undamaged. But informed diplomats said that at least one processing unit was damaged.

It was the first Iraqi air raid against a centre of population since last June when, largely as a result of United Nations mediation, attacks against civilian targets were halted.

Iran acknowledged the raid through its official Iran news agency. It reported that Iraqi aircraft had violated the air space of Tehran and hit a point in the downtown city.

An Iraqi war communiqué said that "the surprise, lightning and destructive raid on the Iranian oil refinery south of Tehran was aimed at preventing the enemy from exploiting the vital facility for its aggressive war against our homeland."

Baghdad will, at the very least, regard the strike as a big morale booster for the home front following the serious psychological blow suffered from Iran's continued occupation of the southern tip of the Fao peninsula.

At Amara, 180 miles south-east of Baghdad, Major Gen Thabit Sultan, commander of the Iraqi Fourth Army Corps, told visiting reporters: "There are big Iranian troop concentrations opposite Misan and an

enemy military action is imminent." Western diplomats confirmed his claim about a major build-up around the Iranian town of Susanger.

They believe that another offensive may be timed to coincide with the festival of Ashura on May 19, a day commemorating the death of the Prophet Mohammed's nephew, Ali, and one of special significance to Shia Muslims.

Iraqi troops now hold just over 100 square miles of Iranian territory adjacent to the Iraqi province of Misan, according to Gen Sultan.

Western diplomats say that the terrain in the area - captured last week - is of such a nature that Iraqi forces, despite their cautious tactics, have been able to exploit effectively their big superiority in armour.

On Thursday, Iraqi naval vessels hit and set on fire two supertankers employed on the "shuttle" between Kharg Island, Iran's main terminal, and Shirri Island. The extent of the damage to the Greek-owned Superior, 278,454 tonnes, and the Energy Mobility, 223,911 tonnes, remained unclear yesterday.

Top Israeli financier faces fraud charges

By Andrew Whitley in Tel Aviv

MR DAVID BLASS, a prominent Israeli financier, has been arrested on charges of fraud involving investment loans estimated at as much as \$100m which he had handled on behalf of a leading kibbutz federation.

Mr Blass and Mr Zvi Aharoni, a close aide, were detained by police on Monday night after a year-long investigation into a complaint made by the United Kibbutz Movement (UEM). The two men were remanded in custody on Tuesday for a further week when they appeared before a court.

Over a period of several years leading up to the crash of the Tel Aviv Stock Exchange in October 1983 - a period of soaring inflation when even the socialist-minded members of the country's kibbutzim sought ways to protect their assets - Mr Blass acted as investment broker for the UEM.

Most of the investments were apparently handled through the so-called "grey market," the parallel money market which provides more attractive terms than the banking system for both lenders and borrowers.

In a plaintive reaction on Tuesday to Mr Blass's arrest, Mr David Golan, a leader of the UEM, said the financier had been seen "as someone who could provide an answer to the problem of the banks."

Iraqi-born Mr Blass, 40, began his business career at the age of 19 as a property dealer before moving into the highly speculative world of Israel's financial markets.

Bangladesh opposition to challenge Ershad as violence mars polling

BY JOHN ELLIOTT IN DHAKA

OPPOSITION parties in Bangladesh were preparing themselves last night to mount a fresh challenge to the military regime of President Hussain Mohammed Ershad following extensive violence and ballot-rigging in yesterday's general election.

The main Awami League Opposition Alliance claimed last night that 25 people had been killed and more than 500 injured during extensive "hijacking" of polling stations by members of the government-backed Jatiya Party.

Ballot papers were stolen, polling stations were shut early to allow ballot boxes to be stuffed and Awami League supporters were shut out from the stations, as violent clashes broke out across the country. Some voters were handed election forms already stamped with a vote.

In some areas Awami League supporters initiated the fighting

and rigging, but reports from various parts of the country showed that the Jatiya Party supporters were the main culprits, sometimes aided by government officials, police and army officers.

Five bombs were exploded in the old part of Dhaka, where street fighting broke out. In surrounding villages, Awami League desks and election papers were thrown into a pond during fighting, and a Jatiya Party worker was clubbed to death by Awami League supporters after extensive fighting.

President Ershad, who spent part of the morning playing golf with his Home Minister, will now have a major problem establishing the credibility of the Jatiya Government, which he is expected to form this weekend, headed by a Prime Minister he will choose.

In the last two elections in Bangladesh - in 1973 and 1979 - there

was extensive ballot rigging, which is common in south Asian countries.

The Awami League Alliance, headed by Sheikh Hasina, daughter of the late President Mujibur Rahman, who was assassinated in a 1975 coup, now has to decide what to do.

She went against 14 other opposition parties in deciding to co-operate in the polls, hoping to win enough seats to justify the move.

If the League Alliance still wins about 70 to 80 of the 300 seats in the election, it might do little more than protest about the fraud. But if it only wins 50 or fewer, it will have to consider whether to contest the result and even refuse to let its members sit in the National Assembly.

Last night Sheikh Hasina claimed her alliance had really "won the election" but it had been "robbed" by the Ershad regime.

Frenchman kidnapped in West Beirut

By Nora Scovell in Beirut

AN 84-year-old French national was kidnapped yesterday after being dragged from his car by gunmen as he was driving through a residential area in West Beirut.

Mr Camille Samir, a retired agent for the French Foreign Office, was taken to a house in the city.

Mr Samir is the 30th French national to go missing in predominantly Muslim West Beirut. There are at least eight Frenchmen still missing in Lebanon.

On March 5, the Lebanese Islamic Jihad announced the execution of French sociologist Mr Michel Searre and a few days later the kidnapping of a man in a villa and of the missing Frenchman. His body has not yet been recovered.

A four-man crew of the French television satellite was abducted on March 2 by the Revolutionary Justice Organisation. A French teacher, Mr Michel Brian, was seized by gunmen on April 2 while walking home from a restaurant at dusk. He was later released.

French embassy officials confirmed yesterday's kidnapping but gave no additional details. The fate of about 20 foreigners abducted in West Beirut over the past few weeks remains unknown.

Syria has been actively involved in seeking the release of the missing foreigners. Yesterday clashes between Syrian soldiers and members of the Lebanese "militant" Hezbollah in the Bekaa Valley broke out for the second time in less than a week.

Last month, the kidnapping and killing of British political scientist Professor Leigh Douglas and another English teacher, Mr Philip Padfield, triggered an exodus of foreigners from Beirut.

Two British journalists, Mr John McCarthy and Mr Alec Collett, are still missing.

Bomb blast in Johannesburg

A BOMB explosion yesterday in a shopping centre in the affluent white South African suburb of Sandton, Johannesburg, shattered windows but caused no injuries, agencies reported from Johannesburg.

The explosion, caused by a bomb planted in a stairwell took place at lunchtime, near a branch of the Pick n' Pay supermarket chain, whose 6,000 black workers staged a sit-in strike yesterday in support of wage demands. No-one claimed responsibility for the blast.

The striking supermarket staff are demanding a bigger pay rise

than the South African-based company - which also has stores in Australia - had offered.

Witnesses said no-one appeared to have been injured in the blast, which happened just as the store was closing for lunch.

Sandton borders the black township of Alexandra, scene of bloody riots in the past few months.

Many of the supermarket chain's 40 branches were almost without service as white supervisory staff worked to keep the checkout counters moving.

Housewives, students and other casual workers were hired for the

day to keep the stores open.

A bomb blast in a suburban shopping centre near Durban just before Christmas killed six whites. A black man alleged to be a member of the banned African National Congress (ANC) guerrilla movement was convicted of murder in the case and was sentenced to death.

The tribal "homeland" of KwaNdebele will become independent on December 11, President P.W. Botha of South Africa and the homeland's leader Simon Skosana announced yesterday. It will be the fifth homeland to accept independence from Pretoria.

Ethiopian aid official defects

BY WONG SULONG IN KUALA LUMPUR

THE Malaysian Prime Minister, Dr Mahathir Mohamad, whose beleaguered administration suffered a major setback when a Christian-led party won a landslide victory in elections in the East Malaysian state of Sabah on Tuesday, has reshuffled his Cabinet in a move to consolidate his leadership.

He appointed Mr Ghafar Baba, a veteran politician, as his deputy, and made changes to the portfolios of defence, home affairs, education and agriculture.

Although the Cabinet reshuffle is not dictated by the Sabah electoral setback, the two events are linked, and they provide the strongest indications that Dr Mahathir will not go for early general elections as widely expected.

Mr Joseph Pairin Kitingan, leader of the Party Bersatu Sabah, was sworn in as Sabah's Chief Minister yesterday after leading the party to a stunning victory on the wave of anti-federal feelings. The 1.2m Sabahans see Kuala Lumpur as behind much of the political manoeuvring that had plunged the state into confusion and racial disharmony in the past year.

Mahathir shuffles Cabinet after setback in Sabah poll

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Kadazan and Chinese constituencies opening itself to accusations by USNO and Berjaya that it is anti-Islam

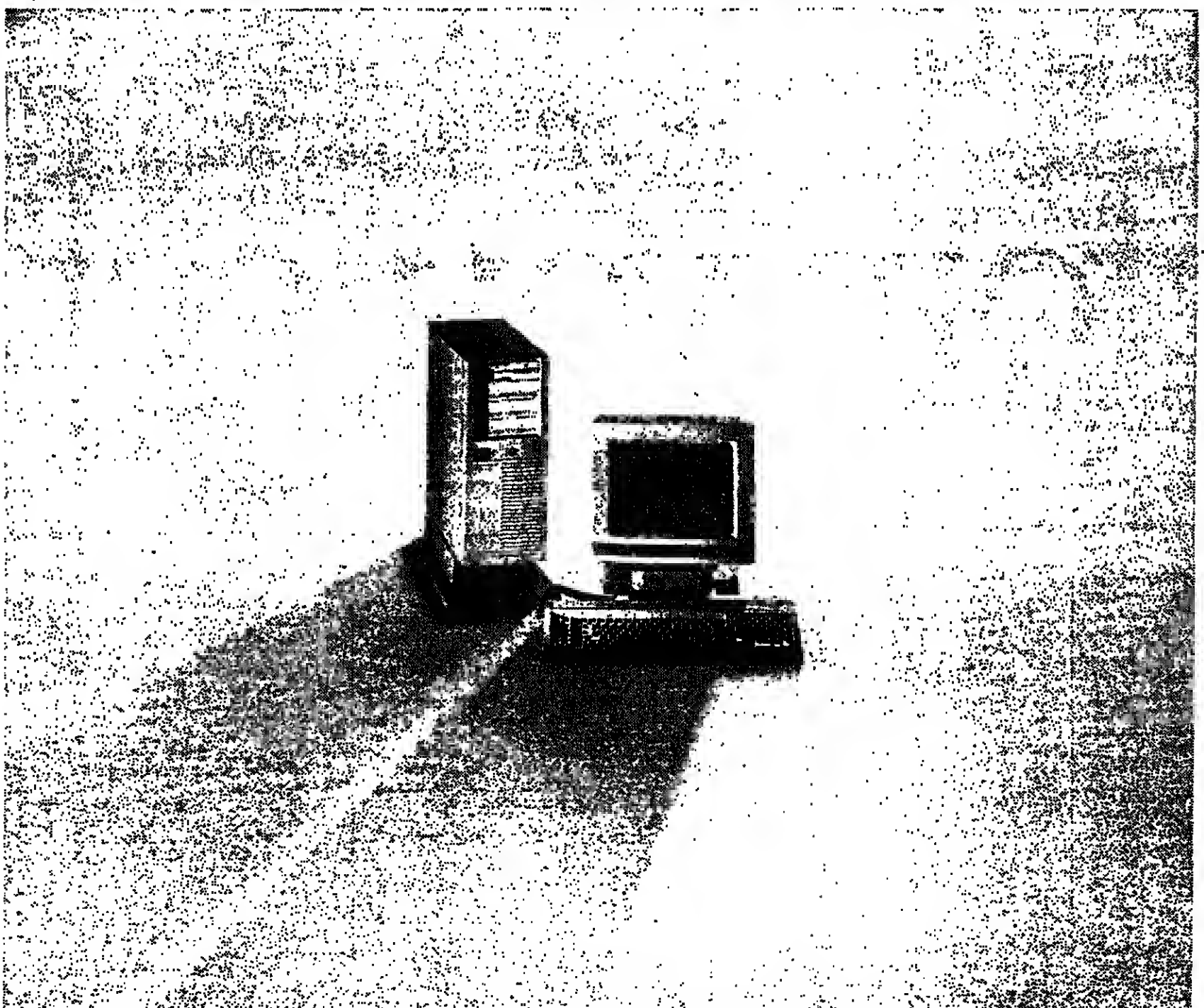
BY WONG SULONG IN KUALA LUMPUR

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The Federal Government's handling of the Sabah situation was a major dispute, between Dr Mahathir, and his former deputy, Datuk Mnsa Hitam, although the latter's resignation last February was prompted by the issue of succession to the prime minister's job.

The Cabinet reshuffle indicates that Dr Mahathir has no intention of early retirement.

His new deputy, Mr Ghafar, at 61, is a year older than him, and is not regarded as a threat. Mr Ghafar left the Government 10 years ago, and became a businessman, controlling the publicly listed investment company, Pegi, which launched a costly and unsuccessful bid for Dunlop holdings between 1981 and 1984.



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NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Sinking Fund for the Debentures of the above-described issue, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has selected by lot for redemption on June 1, 1986 at the principal amount thereof \$750,000 principal amount of said Debentures, as follows:

Outstanding Debentures of U.S. \$1,000 Each of Prefix "M" Bearing Serial Numbers Ending in the Following Two Digits:

04	10	23	54	73	74	78
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Also Debentures of U.S. \$1,000 Each of Prefix "M" Bearing the Following Serial Numbers

4	3182	3882	4482	6182
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On June 1, 1986, there will become due and payable upon each Debenture the principal amount thereof, in such coin or currency of the United States of America as on said date either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 13th Floor, 30 West Broadway, New York, N.Y. 10011, or (b) subject to any laws and regulations applicable thereto with respect to the payment, currency of payment or otherwise in the country of any of the following offices, at the principal office of Banca Nazionale del Lavoro in Rome or the principal office of Banca Commerciale Italiana in Milan or the main offices of Morgan Guaranty Trust Company of New York in London, Brussels, Paris or Frankfurt or the main office of Allgemeine Bank Nederland N.V. in Amsterdam or the main office of Kredietbank S.A. Luxembourg. Payments at the office of any paying agent outside of the United States will be made by check drawn on, or transfer to a United States dollar account with a bank in the Borough of Manhattan, City and State of New York. Any payment made by transfer to the United States Internal Revenue Service (IRS) and to backup withholding at a rate of 20% if payees not recognized as exempt recipients (IRS) and to backup withholding at a rate of 20% if payees not recognized as exempt recipients (IRS) and to backup withholding at a rate of 20% if payees not recognized as exempt recipients (IRS) shall be subject to a penalty of \$50. Please therefore provide the appropriate certification when presenting your securities for payment. Debentures surrendered for redemption should have attached all unexpired coupons appurtenant thereto. Coupons due June 1, 1986 should be detached and collected in the usual manner. From and after June 1, 1986 interest shall cease to accrue on the Debentures herein designated for redemption.

ENTE NAZIONALE IDROCARBURI
By: MORGAN GUARANTY TRUST COMPANY
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April 29, 1986

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OVERSEAS NEWS

Jurek Martin in Tokyo analyses the effects of the summit on Japanese politics
Nakasone put on the defensive at home

IT IS frequently misleading and sometimes downright wrong to apply Western logic to Japanese situations. Clear-cut concepts elsewhere, such as success or failure, may be interpreted differently in Japan.

Moreover, the Japanese assessment of the summit meeting just ended in Tokyo of the top industrialised countries will not be forthcoming immediately. It will certainly not be publicly aired before all the foreign heads of government have left Japan and may even take further time to evolve.

These important caveats aside, it is hard not to avoid the conclusion that playing host has not been the unmitigated blessing that Japan, and especially its Prime Minister, Mr Yasuhiro Nakasone, had reason to expect. The thrust of Japanese press and political comment over the last 24 hours was that Mr Nakasone had come up short-handed.

His co-submitters admired his chairmanship, but the crude analysis is that Mr Nakasone has been embarrassed at home in three critical respects.

The rocket attacks and snubby fires set off by a small group of left wing radicals may not have hurt anyone but they did reflect badly on the forces of law and order and the government which he heads.



Yasuhiro Nakasone

Japan did not succeed in getting the US to agree that the dollar has fallen enough, nor was any short-term solution to exchange rate instability forthcoming. On the last day of the summit the yen gained appreciably against the US currency.

By being obliged to identify Libya by name in the anti-terrorism declaration, Japan may have put at risk its traditional policy of neutrality in

the Middle East, a vitally important economic region.

In the margins, it is not the fine print of the summit there were other causes for concern; Western governments may not have dwelled on Japan's surpluses in detail, but they did pointedly expect Mr Nakasone to implement the Maekawa report on economic restructuring.

One visiting minister in analysing the US proposals for more managed floating exchange rates, said they were much more directed at Japan than the other great surplus country, West Germany.

If there was consolation for Mr Nakasone, it is that neither of the principal candidates for his job fared much better. Mr Noboru Takeshita the Finance Minister, is similarly saddled with a high yen, while Mr Shin-aro Abe, the Foreign Minister, was put in the uncomfortable position of having to explain in public the decision on Libya, which he and his ministry are thought to dislike.

Already a certain defensive tone has crept into the official Japanese version of the summit's decisions. For example, all the Japanese newspapers yesterday carried an obviously officially inspired story that the terrorism declaration did not commit Japan to do anything.

It is a matter left for each country's judgment, based on its sovereignty, that is the key point, "one unnamed spokesman

was quoted as saying. He added that "there is virtually no measure which Japan should take in a concrete way."

The original Japanese hope had been that the summit should be an exercise in largely uncontroversial economic policy making, additionally designed, at least in part, to avoid too much discussion of the Japanese surpluses.

Extraneous political events — the US raid on Libya and the Soviet nuclear disaster — had already transformed the summit before it convened. So, it transpired had the momentum for a new exchange rate regime carried over from the IMF meeting in Washington last month.

Mr Nakasone thus probably never had any choice but to be moved by the tide. British officials even commended his ability, as chairman, to recognise this reality and to make the sort of executive decisions as chairman that Japanese are supposed not to relish tackling.

The immediate internal issue in front of Mr Nakasone is whether or not to call a general election within the next few weeks. Before the summit, it had appeared that he was gaining the upper hand over those inside his own ruling party who did not want to give him the satisfaction of leading the party into victory.

They may now be emboldened to renew their attempts to frus-

trate him especially if Mr Abe is as irritated as he was reported to be over Libya and if Mr Takeshita is now genuinely afraid of contesting an election with the yen at its present levels.

Whatever the outcome of this struggle, it does seem that Mr Nakasone's strongest suit hitherto, his ability to manage foreign affairs, now lacks a few cards. Even the vaunted Ron-Yasu relationship now seems devalued, for all that President Reagan yesterday hoped at his press conference for stability of the yen.

This perception of failure may cause some foreign countries to doubt that Japan will honour the international obligations Mr Nakasone has entered into, if he is not long for office.

But the curious perversity of Japanese politics is that the summit may in reality never have been a determining factor in his political future. It has always been in the power of the ruling Liberal Democratic Party to ditch the Prime Minister, regardless of what happened at the summit. It would have been perfectly capable of riding a summit triumph into a smashing general victory and then, for totally different reasons, casting Mr Nakasone aside in the autumn. By the same strange logic, the reverse could also be true.

Exchange rate adjustment not enough, says de Clerq

BY OUR TOKYO STAFF

EXCHANGE RATE adjustment alone will not be enough to remedy the existing trade imbalance between Europe and Japan, according to Mr Willy de Clerq, the Community's commissioner for external relations.

It may be possible, he said, "to expect too much" from exchange rate movements. Even when measured in an appreciated yen, Japanese exports to the EEC were falling much less rapidly than EEC exports to Japan.

Therefore, Japan had to ensure that its economic performance "converged" with that of the rest of the industrialised world, even if that required structural reforms along the lines of the recent Maekawa report. Japan, he said, should not

"abandon" the "fundamental elements" of this report, even if it did not implement all that was recommended.

Mr de Clerq did not think that Japan had come out of the summit empty-handed by failing to halt the rise in the yen. The commitment to what he called "proper management" of international economic and monetary affairs should be a benefit to all, including Japan.

He was sceptical that the newly formed Group of Seven (the five leading industrialised countries plus Italy and Canada) would take over many of the responsibilities now assumed by the Group of Five. "I think it is a baby," he said. "The important thing is that the G5 is there."

Australian Parliament to probe judge's conduct

BY CHRIS SHERWELL IN CANBERRA

AUSTRALIA's Labor Government, bowing to relentless political pressure, yesterday reversed its position and ordered an unprecedented parliamentary inquiry into the controversial conduct of one of the country's senior judges.

At stake is the future of Justice Lionel Murphy, a former Labor Attorney General, who was appointed to the High Court, the country's top bench, in 1975.

But the inquiry, led by three judges, is also aimed at defusing a bitter row with the opposition Liberals, who have led calls for Mr Murphy's resignation, and at removing both the High Court and the Governor General, Sir Ninian Stephens, from the political spotlight.

Justice Murphy yesterday persisted in his refusal to give up his post, standing by his sensational acquittal by the New South Wales Supreme Court last week on the charge of attempting to pervert the course of justice.

The charge sprang from Mr Murphy's relationship with a Sydney solicitor. Mr Murphy was alleged to have tried to influence a magistrate in a case against the solicitor.

Illegally-taped conversations involving the two men formed the basis for the charges. A royal commission on the tapes last week produced a confidential report which is alleged to support the case against Mr Murphy. His prosecutors have also wanted to lodge additional charges against him.

Mr Bob Hawke, the Prime Minister, initially backed a plan for Mr Murphy to give a written statement to his High Court peers answering all the allegations against him.

The plan backfired on Tuesday when the judges refused to become so directly involved. Justice Murphy yesterday denied a report that the Governor General had asked him to resign.

Under the constitution, this left Parliament obliged to exercise its judgment on a judge's future for the first time in Australia's federal history.

Handwritten Arabic text in a box at the top right of the page.

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THE MANAGEMENT PAGE: Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

Regent Hotels aims for very narrow market segments with each of its properties. Frank Lipsius explains its strategy



Why Hong Kong has a 'bagel hotel'

IN A business where "we probably turn down a hundred projects for every hotel we do," according to Michael Matthews, research has become so crucial that company executives will go half-way round the world to pinpoint a market. This is what happened with what became the group's flagship in Hong Kong, (illustrated above) where designed to cater for very specific tastes.

Matthews, vice-president of marketing for the 15-story hotel, designed the Hong Kong property for a clientele from a ten-block area of New York City. "Yes," he emphasises, "a 300-room Hong Kong hotel was to be built for a ten square city block area of Manhattan." The Hong Kong site had a harbour view but was located in Kowloon, not in the colony's central business district. "A great number of hotel groups looked at it," according to Matthews, "and said, 'No, thank you very much'."

Matthews found a different

clientele—"high yield business visitors whose contacts are in Kowloon and the New Territories." Relinquishing the banker clientele to the "cross-sail" style Mandarin in Central Hong Kong, Matthews decided on "a bagel hotel" for the American buyers of clothing, pharmaceuticals, plastics, toys and electronics.

These "rag-trade buyers" (largely from the New York garment industry), Matthews found, "had been discounted by other hotel groups looking at building a deluxe property on the site we were studying because so far they were all staying at the Sheraton or the Hong Kong Hotel—not the same market at all. But we believed they were staying there because there wasn't anywhere more up-market to stay, especially since the (elegant, old-fashioned) Peninsula was always full."

Having discovered their target market, Matthews and Robert Burns, the group's president, went to New York to find out more about who they were and what they

wanted. This Matthews did "by calling people up and asking them. You'd be surprised at how co-operative they are. After all, they want you to get it right."

Though the company keeps hundreds of files of interviews with upmarket customers, "the questions change with the location," says Matthews. "Once you determine the potential market, requirements differ. The needs of an international banker are different from those of the garment industry."

A leader in the field of research for the hotel trade, Matthews works informally, depending on articulate people whom he can question thoroughly rather than lots of impersonal surveys. His interviewees on Hong Kong "wanted a hotel with prestige, slant and snob appeal without being conservative and boring." The trick was turning the image into the details that people don't know they want until you tell them. "People will say, 'I like to stay in a suite,'" Matthews explains.

"But the question is what kind of suite. They don't want two rooms and four baths. They want an extra large room with a work area, large desk, a place to meet people." Work requirements are prompting Matthews to make television sets double as computer monitors and put two telephone extensions into rooms.

Restaurant menus reflect a diet-conscious clientele. Matthews discovered that many Hong Kong visitors are women—buyers, designers, quality control experts, mostly young. So we gave them marble bathrooms with huge soaking tubs that fill with hot water in less than 30 seconds. They wanted firm mattresses on big beds—not just for comfort but for laying out samples.

He found that "they wanted a pool, but not for pounding up and down for exercise. What they wanted was a big pool area, where there is always plenty of room and spare tables and chairs, especially at weekends, so that they could relax with their friends, where

they could see and be seen and sport their gold chains and handsome physiques." The interior has the same rationale: "OK, we said, you want to be seen, so we gave them a vast, spectacular lobby with an open-plan, spacious design for added see-ability and recognisability."

Each location requires its own research, which produces its own results. In Kuala Lumpur, a hotel has to have a discotheque. "If we put it in, would people use it?" Matthews wanted to know. "In America it is passé. But to locals, it is essential for entertaining. So the international market will use it as well, even though they would never go to one at home."

Checking on what attracts visitors to other hotels, Matthews found in Sydney that the market was essentially domestic, which required a till and coffee-making machine in the room. With great reluctance they put in the machines. But to establish a deluxe image, they also bucked local trends. "You can imagine what the Aussies thought of toilet attend-

ants. In fact, one writer even commented in his column that he didn't expect to be told when to wash his hands!"

Despite the criticism, the Sydney hotel succeeded with the advertising slogan, "A hotel only the rich can afford." For Hong Kong, the Regent advertised in New York's Women's Wear Daily, using the slogan, "Once in every generation, Hong Kong acquires a great hotel."

Despite the great care that went into the details of the hotel, the advertising concentrates on the image, not the services. "As Matthews concludes: "We positioned our hotel using some of the original research. Did we tell them in our advertising about all the things we had discovered they liked to have and which we had provided for them? Did we tell them about the business centre, The Steak House, the 'phone in the bathroom, or the bagels? No."

Christopher Parkes reviews Victor Kiam's ideas on how to succeed in business

The hard sell

TWO OF Victor Kiam's guiding commercial principles spring to the attention of the reader working through *Going For It! How to Succeed as an Entrepreneur*.

First to appear in this melange of reminiscence and homily by the man who bought the Remington electric shaver company because he liked the product, is the Unique Selling Proposition—what Kiam calls "that characteristic of your product or service which is different from your competitors."



In this case the USP is a guarantee claimed to be unique in the publishing business. "I am so confident that you will benefit from and enjoy this book that if you are not satisfied I will give you your money back." Kiam promises on the dust cover.

Then there is the Buy One, Get One Free (BOGOF) principle, which Kiam used in his early days as a salesman, tagging free toothpaste, onto toothbrushes and lavishing giveaway bras on girdle buyers.

In *Going For It!* the BOGOF deal is a first-person essay on how Kiam came to buy and turn round the Remington shaver business. This comes sandwiched between 155 pages of another book which should have been called *How to be a Salesman*, and 30 pages of afterthoughts.

Without this little extra, the book is virtually indistinguishable from the run-of-the-mill "How to" books usually written by salesmen when they hang up their sample cases and turn to selling themselves rather than brushes.

Kiam has practised his version of the salesman-entrepreneur's art from the day in 1951 when he joined Lever Brothers, the US arm of the Anglo-Dutch Unilever combine, as a management trainee. Going up through the ranks and on into linerite with Playtex, he ended 17 years later as president of Benrus, a watch specialist with jewellery interests.

Leaving Benrus as it set about dumping the consumer interests which fascinated him, and turning itself into an industrial concern, Kiam appears to have survived a fat patch until he was stirred by the impending auction of the loss-making Remington by Sperry.

A man of undoubted energy and craft, Kiam recounts how he grabbed every opportunity to shine. As he puts it, he

deliberately chose to work for companies in which he could present himself in the best light.

At his worst, he took to working late in the office rather than taking papers home. This way, his conscientiousness could be observed by his bosses. At his best, he recounts joyously how he worked for three months to sell \$200-worth of cosmetics to a small-time Alabama chemist. Kiam has shown particularly brightly since he settled in at Remington in 1978 and turned it back into a profit, which makes it all the more tiresome that the brief section on his leveraged buy-out—one of the earliest of such takeovers—fails to live up to the promise on the dust cover, where the publishers talk of his buying Remington "in the face of fierce competition from giant corporations."

There is hardly a mention of the opposition, although the sprightly account of his jugglings to raise the necessary stake provide some entertaining reading. His nerve-racking conversion of the top-heavy, complacent workforce which had grown used to the comfortable life under the wing of Sperry is especially instructive.

If it were not for this irritating short section and for Kiam's undoubted personal charisma, though, this book would have little appeal.

Still, the book should sell. Kiam himself is putting up the cash to pay for an unprecedented £50,000 national prime-time TV advertising campaign.

No need to mention who is starring in the commercials. *Going For It! How to Succeed as an Entrepreneur*, Collins, 8 Grafton Street, London W1, £9.95.

THE ACCOUNTING profession was first "thrown open" to advertising in the US less than 10 years ago, and most other developed countries began liberalising even more recently. But with that burden now overcome, accountants are moving on to the next promotional stage—international corporate advertising.

The first move to gear up for this new presentational battle has come from Amsterdam, the world headquarters for Klynveld Main Goerdeler (KMG). "Ads in the international business Press have been appearing in a campaign on which the group is spending around \$1m.

Samuel Marks, national marketing director of KMG,

Accountants take international stage

Terry Dodsworth explains why KMG is selling itself to a worldwide audience

Main Hurdman, the member firm in the US, where the first ads appeared in March, says that the campaign will stress the global reach of the group. But at the same time they will seek to show the firm's strong local offices, rooted in their own countries.

KMG, assembled over the past seven years through a series of merger agreements, has, he claims, a "unique organisational structure" because of these established local tradi-

tions. But the group is also one of the largest accounting concerns in the world, with 490 offices in 71 countries, and a significant position—among the first two or three companies—in most markets in which it operates.

Even so, KMG is still feeling its way as an international group, and is perhaps less known for its world-wide capabilities as some of its main rivals. Hence the advertising campaign.

"The market place for accountants has become a very much more aggressive place these days," says Marks. "We need to express ourselves more effectively world-wide."

At the same time, KMG sees internal benefits from the campaign, not least that as a young company the exercise has helped to bring the partners closer together and underscored the common interests.

"The campaign may be just as important to us as to the

world market," he adds.

Created by Saatchi and Saatchi, the UK advertising group, the first ad in the campaign made the point that the consultants best placed to give tax advice are those found at home—like KMG, which happens to have offices strategically located around the world.

It is quite possible that in some of these strategic locations the message will ruffle a few feathers in the profession. Not all countries have yet libera-

used their rules on allowing accountants to advertise, and there could well be objections to the ads when they appear in several parts of the world. Yet, as Marks concedes, it is not practicable to try and cut ads from international publications like, for example, time magazine, to comply with demands of a specific national market.

In the end, KMG has decided to print and be damned. If there are objections, says Marks, they will have to be dealt with as they come along. And in any case, the company clearly believes that the tide of affairs is flowing its way. It confidently expects other large accounting groups to launch similar international advertising programmes within the current year.

THE ACCOUNTING profession was first "thrown open" to advertising in the US less than 10 years ago, and most other developed countries began liberalising even more recently. But with that burden now overcome, accountants are moving on to the next promotional stage—international corporate advertising.

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THE OGILVY GROUP, INC. (NASDAQ - OGIL), a worldwide advertising agency group, today reported earnings for the first quarter ended March 31, 1986.

Net income for the first quarter decreased 9.2 percent to \$3,236,000, or \$23 per share, as compared with \$3,563,000, or \$25 per share, for the comparable period of 1985.

Client revenues increased 16.4 percent to \$120,938,000 compared with \$103,903,000 for the first quarter of 1985. Client revenues in the U.S. increased 3.2 percent while non-U.S. revenues increased 40.6 percent, approximately one-half of which is attributable to the increased value of foreign currencies.

If currency values had stayed level with a year ago, the decline in net income would have been approximately 15 percent, rather than 9 percent.

Net income for the 1986 first quarter included a net credit of \$945,000, or \$0.7 per share, from a reduction of the Company's allowance for uncollectable accounts.

William E. Phillips, Chairman - CEO, commented: "The first quarter is generally the smallest in terms of client revenue and therefore also in terms of profit. It appears that 1986 will be a tight year in the U.S. with very low inflation and softness in the media markets. We are paying close attention to costs to maintain our profit expectations for the year."

The Ogilvy Group, Inc. Consolidated Statement of Income (in thousands of dollars except per share figures)

Quarter ended March 31 (Unaudited)	1986	1985	Percentage Increase (Decrease)
Commission & Fee Income	\$120,938	\$103,903	16.4
Salaries & Other Employee Benefits	80,396	66,607	20.7
Office and General Expenses	35,626	31,306	13.8
Total Operating Expenses	116,022	97,913	18.5
Operating Profit	4,916	5,990	(17.9)
Interest & Other Income, Net	2,369	1,613	46.9
Exchange Gain	5	48	(89.6)
Income before Taxes	7,290	7,651	(4.7)
Taxes on Income	4,054	4,088	(0.8)
Net Income	\$3,236*	\$3,563	(9.2)
Earnings per Common and Common Equivalent Share	\$2.29*	\$2.25	(8.0)
Dividends Paid	\$2.00	\$1.18	11.1

*Includes a net credit of \$945,000, or \$0.7 per share, from a reduction of the Company's allowance for uncollectable accounts.

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The only other thing you will need, an entry form, is available now from the address below. Write for one soon, as the closing date for receipt of entries is 18th July.

BSMA Competition, Dept. FT1, Institute of Sales and Marketing Management, Freepost, Georgian House, 31 Upper George Street, Luton, Beds LU1 2BR.



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The Financial Times is proposing to publish a Survey on

Corporate Communications

on Tuesday 27 May 1986

For further information please contact:

Nina Jasinski

on 01-248 8000 ext 4611

FINANCIAL TIMES

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UK NEWS

RADIOACTIVE CLOUD RETURNS TO BRITAIN AS TASKFORCE STARTS WORK

Chernobyl information 'lacking'

BY DAVID FISHLOCK, SCIENCE EDITOR

THE NATIONAL Radiological Protection Board said last night that the radioactive cloud from the Soviet nuclear reactor accident had returned to the UK but activity levels were low. "It should add little to the total activity deposited, even if it rains heavily," the board said.

It emerged yesterday that Britain's nuclear industry had received information from the Soviet Union about the Chernobyl accident. That became clear at the first meeting of a task force called by Lord Marshall, chairman of the Central Electricity Generating Board (CEGB), to monitor the accident and co-ordinate the nuclear industry's response.

"It is one of the great difficulties we are all faced with," one member of the taskforce commented yesterday.

The information about Chernobyl has so far come mainly at second hand from other countries closer to the accident or more familiar with the technology.

Official reports from Moscow make plain that they are still unsure how the accident began and to what extent the fire in No 4 reactor at Chernobyl is still burning. But the reactor design suggests that even if the fire is out, the graphite core can still be emitting as much as 10 MW of heat from the fission products present in fuel in the core.

That amount of heat would be enough to boil about 200 tonnes of water. Radiation may still be escaping through the 4,000-tonne cap of sand and chemicals dropped on to the reactor.

Mr Peter Walker, Energy Secretary, said yesterday that while in Moscow last month he had emphasised the need for closer international collaboration on safety standards and waste disposal. "It was agreed that we might set up a joint working group to share ideas and knowledge," he said.

Organisations represented on the UK taskforce are the CEGB, the South of Scotland Electricity Board,

the UK Atomic Energy Authority and British Nuclear Fuels, all of which are operating nuclear reactors. In addition, there is the National Nuclear Corporation, the British Nuclear Forum and the Nuclear Energy Information Group.

It is considering both the technical and the public relations implications of the accident for an already much criticised industry.

The Government's public information unit, which came into operation yesterday, acts only as a clearinghouse that directs questions to one of four telephone numbers, depending on whether the worry is food and milk, health, radiation levels or travel. All the numbers are having great difficulty in coping with inquiries.

The Environment Department is expected to report to the Cabinet on radiation fallout over Britain when it meets this morning.

Contingency plans for a serious reactor accident in Britain have been outlined by the Health and

Safety Executive, one arm of which is the Nuclear Installations Inspectorate. Emergency operations would be managed by the Energy Department and would include a briefing room in Whitehall.

The need for full briefings for the media is emphasised but qualified with the comment that "it is inevitable that in some circumstances the early assessments may have to be cautious and tentative."

The accident would be managed from a regional control centre. The Department of Health would be responsible for distributing iodine tablets as a prophylactic against the first source of radiation.

Environment groups opposed to nuclear power have dismissed statements of confidence in the integrity of Britain's nuclear power stations. Greenpeace called for all the Magnox nuclear stations except Wylfa in Anglesey - the latest and largest - to be phased out as soon as possible.

Sellafield pledge, Page 14

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Ulster's stand on Anglo-Irish agreement begins to waver

BY OUR BELFAST CORRESPONDENT

ULSTER UNIONIST leaders face crucial decisions in the next few days to deal with the first significant rebellion within the ranks against their campaign to bring down the Anglo-Irish Agreement, which gives Dublin a say in the affairs of the province.

The disruption of local government has been one of the main unionist tactics since the agreement was signed last year. On Tuesday night, six Official Unionist Party (OUP) members on Belfast City Council defied the party line, allowing the council to vote by 21 to 23 to resume its normal business. Up until then, Unionists had forced continual adjournments.

Faced with a court order to carry out their statutory duties or pay a £25,000 fine for contempt, five Official Unionists including the Lord Mayor, Mr John Carson, voted to go back to work. A sixth abstained.

The OUP put a brave face on the setback. Mr Frank Millar, general secretary, admitted, "It has done some damage to the protest and it has caused immense disappoint-

ment within the party, but setbacks do occur from time to time and we will get over it."

Getting over it will require some fancy footwork from party tacticians. The Rev Ian Paisley and Mr James Molyneux, leaders respectively of the Democratic Unionist Party and the OUP, will shortly give new instructions to their city council members, who will be expected to toe the line in future.

This time the rebels escaped discipline. Mr Millar said that to punish members who voted not to put themselves in contempt of court was a dubious proposition.

Disrupting local council services, limited though they are in Ulster, is seen by a minority of Unionists as a counter-productive tactic that only harms their own supporters. But the local government campaign, which affects 18 Unionist-controlled councils out of 26 in Ulster, was one of the main points of the 12-point civil disobedience plan announced by Unionist leaders two weeks ago, and is something they will not give up easily.

Mr Millar, far from believing that the Belfast decision presages trouble in other councils, said the rebellion would "stiffen the resolve of our members elsewhere."

The Unionist parties went to considerable lengths to try to prevent the rebellion, including the arrangement of indemnity from personal financial loss to their councillors.

The local government campaign is also the least likely of the unionist tactics to be taken over by extreme loyalists who, over the past six months, have exploited various forms of protest in order to foment violence.

Unionist leaders have a narrow path along which to march. If the end result is to persuade the British Government to rethink the Anglo-Irish Agreement, then negotiations must be kept alive. All the signs are that Mr Paisley and Mr Molyneux are anxious not to weaken the contacts they have with the UK Government.

They are now engaged in "talks about talks" with officials at the Northern Ireland Office

Ford to halve South Wales workforce

By Robin Hooves

THE FORD Motor Company is to halve the workforce at its Bridgend engine plant in South Wales to little more than 800 by 1990 under a five-year business plan being discussed with trade union officials at the plant.

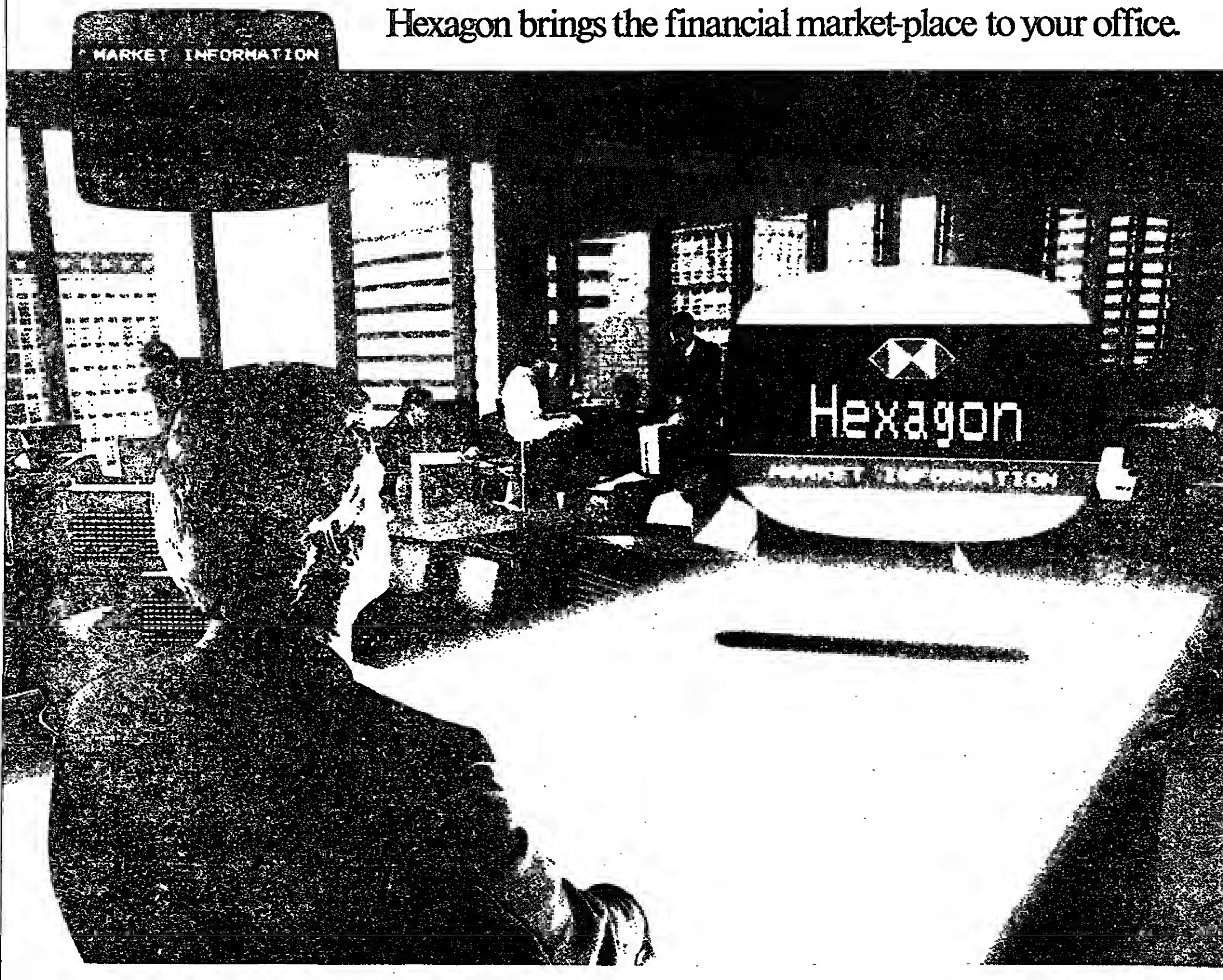
In exchange, the company plans to invest \$2m (£1.3m) a year in automation equipment over the five-year period. It foresees job losses being achieved by voluntary redundancy and early retirement.

An official said the aim was to make Bridgend as efficient and productive as the company's engine plant in Valencia, and technologically capable of producing the new generation of lean-burn engines, planned for the 1990s.

Both plants produce engines for Ford Europe's Escort and Orion model ranges.

Austin Rover, BL's volume car subsidiary, will cut production of the Montego and Maestro models at Cowley, Oxfordshire, in August so that output of the new Rover 800, the executive saloon developed with Honda of Japan, can be increased.

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UK NEWS

Store group in £72m issue to fund growth

By Lucy Kellaway

HARRIS QUEENSWAY, the stores group headed by Sir Philip Harris, yesterday called on its shareholders for £72m to fund the company's aggressive expansion plans.

At the same time, the group announced a 35 per cent increase in pre-tax profits to £36.9m for the 13 months to January, on sales of £295m (£270m).

The Harris Queensway issue is the third big rights announcement in less than a month and follows a £200m call from Seatchi and Saatchi and a £357m issue from the Prudential. It has raised concern in the City of London that the market might be faced with a summer of heavy demands for cash.

"So far, we have only seen the optimistic issues. We are still waiting for the ones where the company has a clear need for the cash," one market analyst commented yesterday.

Most of the proceeds will be used to expand the group's electrical division, which now consists of 112 Electric Supreme and Ultimate stores. Sir Philip said yesterday that he would be "very disappointed" if by 1988 Harris Queensway was not the third largest electrical retailer in the UK.

By the end of the decade, Harris Queensway should have grown to twice its present size by internal expansion alone, Sir Philip said. The company also planned to expand by acquisition, but had nothing planned at the moment.

Sir Philip, however, said he was "watching with great interest" events at Comet, which is now owned by Woolworth, but which is likely to be put up for sale if Dixons' bid for the store group succeeds.

At the end of January, Harris Queensway had 800 shops selling furniture, carpets, electrical goods, household items and textiles. During the year it opened 50 stores and spent a total of £50m on property and on improving existing outlets.

Lex, Page 18

Personal pensions market opens up for building societies

BY DAVID LASCELLES AND NICK BUNKER

BUILDING SOCIETIES, the savings institutions that fund most mortgage transactions in the UK, are to be allowed to enter the personal pensions business.

Mr Ian Stewart, Economic Secretary to the Treasury, said yesterday that he had decided to allow societies to set up special pensions subsidiaries or associated companies. That power would be incorporated in the Building Societies Bill, which will allow societies to engage in new types of business, including unsecured lending.

The decision was welcomed yesterday by the building societies, which have been pressing for the right to arrange pensions. But the prospect of increased competition will dismay the life assurance companies, which have enjoyed almost a monopoly of the UK personal pensions market and had raised objections to the societies being admitted to it.

In a parliamentary written answer, Mr Stewart said he had reached his decision in consultation with Mr Norman Fowler, the Secretary of State for Social Services. It also follows representations by the societies themselves.

"I have concluded," he said, "that building societies should be given a power to invest in a subsidiary or associated company established for the sole purpose of making provision for pensions on a money purchase basis."

The subsidiary would have to operate as a unit trust, which would be authorised under the new financial services legislation being prepared in connection with the deregulation of the City of London's financial markets.

Mr Stewart's decision marks a return by the Government to its original intention to extend the building societies' new powers to include pensions, but that was reversed after

questions had been raised over how those activities should be authorised.

The Government has resolved that question with its requirement that the societies' pensions business should be conducted through separate subsidiary or associated units that can be regulated by the pensions authorities.

Societies diversifying into the sale of life assurance might be in danger of recruiting incompetent salesmen dismissed by life companies if there was no system for registration of individual salesmen.

Mr Mark Weinberg, chairman of the Marketing of Investments Board organising committee (Miboc) said yesterday.

He was speaking at the annual conference in Bournemouth of the Building Societies Association, which has criticised proposals for industry-wide registration produced by Miboc.

Spending up by overseas visitors

OVERSEAS VISITORS are estimated to have spent £500m in the UK during the first two months of this year - 4 per cent more than during the same period of 1985, Andrew Taylor writes.

In January and February, 1.65m visitors are thought to have come to the UK, according to the British Tourist Authority, 11 per cent more than in the same two months last year.

The number of visitors from North America rose by 11 per cent compared with January and February last year. That was before fears of terrorist attacks prompted a sharp fall in bookings by US citizens coming to Europe, particularly to Britain.

UNION leaders approved a draft policy statement on employment laws with the Labour Party that puts greater emphasis on individual jobs rights. It will form a key part of the Labour Party's platform at the next general election.

INMOS, the microchip manufacturer owned by Thorn EMI, is to open its large unused plant near Newport, south Wales, which was mothballed last summer as a result of the depressed state of the semiconductor industry. It will be used for assembling and testing microchips made at Inmos's two facilities at nearby Duffryn and at Colorado Springs in the US.

ELECTRICITY supply workers voted for industrial action over employers' refusal to increase a pay offer worth 5.5 per cent. The union said action was likely to hit employers rather than consumers in the first instance.

A VOLUNTARY code of practice designed to dissuade large companies from deliberately delaying payment of bills to small businesses is to be launched by the Government this month.

VOSPER SHIPREPAIRERS, the former British Shipbuilders operation taken over by its management last September, is likely to meet and possibly exceed its first year's break-even turnover target of £7m.

CBI to question profit-sharing

BY HAZEL DUFFY AND PHILIP BASSETT

MANY large employers are likely to oppose the Government's plans to promote employee profit-sharing. Some of the companies' strong reservations about the plans, outlined by the Chancellor of the Exchequer in the budget last March, will probably be put forward by the Confederation of British Industry (CBI) at the meeting of the National Economic Development Council (NEDC) on Monday.

While many companies are sympathetic to the concept of profit-sharing, they are sceptical about the practicalities of implementing the huge step implied by the Treasury's plans to make profit-sharing much more widespread. That would be by linking pay with profit with the inducement of tax concessions to the employee.

The employers are also uneasy about the speed with which the

Government wants to move on the plans. They believe that a big communications programme would be needed to put the idea over to companies and their employees.

Although no timescale is set down in the Treasury's paper to be discussed at the NEDC, the Chancellor is known to want to publish a Green Paper (consultative document) by the summer to be followed by legislation next year.

Exports drive by knitwear group

BY ANTHONY MORETON

GLENMAC KNITWEAR, part of the Dawson International group, is to spend £1.25m over the next five years on new plant and machinery at its Hawick and Arbroath factories in Scotland as part of preparations for an attack on the Japanese and US markets.

knitwear within the Dawson group, which includes names such as Pringle, Ballantyne and Braemar.

Its output is heavily concentrated in cashmere and high-quality wool and, according to Mr J. Moffat, managing director of the Hawick-based concern, "80 per cent of our £4m-a-year output already goes to

Europe. We are particularly strong in the high-income markets of France, Italy, Germany and Switzerland.

"Our policy has always been to move into markets gradually and now that we are so well established in Europe, we want to try to get into both the US and Japan."

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1891	2591	3491	3591	5291	5791
5891	6791	7291	8591	9291	10291
1091	1291	1791	2091	2191	2491

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1891	2591	3491	3591	5291	5791	7291	8591	9291	10291	1091	1291	1791	2091	2191	2491
------	------	------	------	------	------	------	------	------	-------	------	------	------	------	------	------

On June 1, 1986, there will become due and payable upon each Debenture the principal amount thereof, in such coin or currency of the United States of America as on said date is legal tender for the payment thereof of public and private debts, at the option of the holder, either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 13th Floor, 50 West Broadway, New York, N.Y. 10015, or (b) subject to any laws and regulations applicable thereto with respect to the payment, currency of payment or otherwise in the country of any of the following offices, at the principal office of Ente Nazionale Idrocarburi in Rome or the principal office of Banca Commerciale Italiana in Milan or the main office of Morgan Guaranty Trust Company of New York in London, Brussels, Paris or Frankfurt or the main office of Allgemeine Bank Nederland N.V. in Amsterdam or the main office of Kredietbank S.A. Luxembourg in Luxembourg-Ville. Payments at the office of any paying agent outside of the United States will be made by check drawn on, or transfer to a United States dollar account with, a bank in the Borough of Manhattan, City and State of New York. Any payment made by transfer to an account maintained by the payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service (IRS) and to backup withholding at a rate of 20% if payee not recognized as exempt recipient or fail to provide the paying agent with an executed IRS Form W-8, certifying under penalties of perjury that the payee is not a United States person or an executed IRS Form W-9, certifying under penalties of perjury the payee's taxpayer identification number (employer identification number or social security number, as appropriate). Those holders who are required to provide their correct taxpayer identification number on Internal Revenue Service Form W-9 and who fail to do so may also be subject to a penalty of \$50. Please therefore provide the appropriate certification when presenting your securities for payment.

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UK NEWS

Perkins causes surprise with Gardner purchase

THE IMPENDING purchase announced this week of the L. Gardner diesel-engine manufacturing subsidiary of Hawker Siddeley by Perkins Engines leaves the rest of the industry mystified over the move.

Perkins, the British subsidiary of Massey-Ferguson, which sells 400,000 engines worldwide, will gain some benefits but appears also to have bought a potential commercial headache.

With the small specialist Gardner, which will retain its name as a separate business, Perkins is buying a significant entry into the bus and coach market where it itself is weak.

Gardner, based in Manchester, has 75 per cent of the proprietary (non-captive) UK bus engine business, selling to Leyland, MCW and Dennis. It also has a small toehold in continental Europe, supplying to the West German coachbuilder Neoplan and Kabus OY of Finland.

Perkins, whose engines range from 3.5 hp to 1,200 hp, is also buying a company whose low-stress, low-weight, fuel-efficient engines rated at 100 hp to 400 hp are unique. That has given them a big advantage in the high-stress, stop-start life of urban buses.

The company, based in Peterborough in eastern England, might also be seeking to bolster its position at the top end of the truck market. It purchased two years ago the Rolls-Royce diesel engine business, which employs 1,100 people at Shrewsbury, west England.

Since then, the Rolls name has been dropped and the rest of the industry believes that the former Rolls 12-litre Eagle engine, heavy in weight and commercially rated at only up to 340 hp, has been losing market share. Gardner's recently introduced 15-litre, 400 hp 6LYT might help Perkins in that power bracket.

Perkins is also acquiring a lucrative cash generator in Gardner's spare-parts business, based on the

The acquisition of a specialist diesel-engine manufacturer may bring some benefits to Perkins, but it may also lead to some commercial headaches. Nick Garnett reports

renowned long life of Gardner engines. That is a significant element in the Gardner package - there are, for example, 20,000 Gardner engines (many purchased second-hand) powering fishing and petrol boats in the Far and Middle East, Scandinavia and the former British Empire countries. Gardner's distribution network in 33 countries is being kept intact.

There is also an up-to-date flexible manufacturing line for crankcases, cylinder heads and blocks at the Manchester site.

The difficulty is that Gardner is a loss-maker and Perkins's public position appears to rule out any form of rationalisation.

Gardner has been losing money for some years on a turnover of about £20m. It employed 2,400 six years ago but that has been drastically cut and will be down to 530 by July. The company is making 40 engines a week and the order book is believed to sag after the summer to about 25 engines.

Whatever the respected qualities of the engines made by Gardner which started life in 1868 and has been putting engines in trucks and buses since 1932 - its products are costly to make. They are bulky and incorporate much expensive aluminium, including the crankcases. Their prices tend to be around £1,000 more than competing engines.

Some observers in the industry also worry about the shallowness of the bus market. "The bus business is fine but you are hard put to find

it," says one diesel engine manufacturer. "Comparing the US engine maker, who has been pushing its 10-litre, 10-hp engine, against bus makers and it believes it will wipe away some of Gardner's business."

Yet Perkins seems to be pragmatic at the moment about the independence of Gardner within the Perkins set-up. "According to statements by Perkins this week and a question-and-answer session," distributed by Hawker Siddeley, among the Gardner workforce, Gardner engines will continue to be made at Manchester under that name.

They will be sold by Gardner salesmen, rather than by the Perkins sales force, which is more used to dealing with volume products. There will be no transfer of work between Perkins's three engine sites.

Other diesel engine players at the time of this article, puzzled at the nature of his talks between Perkins and Hawker Siddeley since those talks became known at the start of the year, have suggested other motives.

They say Perkins might be interested principally in the spare parts business and eventually in removing Gardner manufacturing capacity, once Perkins has itself secured a foothold in the European bus industry.

Mr John Devaney, Perkins managing director, was in a cooperative mood when asked in a questionnaire to purchase Gardner was announced this week. He emphasised the way that Gardner engines for commercial vehicles, and marine applications (Gardner engines mainly go into fishing boats, Perkins into pleasure and patrol craft) would complement Perkins's own range.

"This acquisition is part of our on-going strategy to look at the long-term future of the Perkins group and to ensure that our product offerings meet the widespread needs of our customers, both within the UK and elsewhere around the world," he said.

Laboratory sets Star Wars 'rules'

BY DAVID FISHLICK, SCIENCE EDITOR

BRITAIN'S biggest civil science laboratory has laid down five rules for its participation in Star Wars research.

Further studies are planned, under a contract with the Strategic Defence Initiative, involving both the Sprit laser, one of the world's most powerful ultraviolet lasers, and Isis, the neutron-beam generator.

The Rutherford laboratory, at Chilton near Oxford, is the biggest of the laboratories of the Science and Engineering Research Council, which supports academic research in Britain by building and managing major research tools.

The laboratory has already permitted its laser facility to be used

for weapon-effect studies on behalf of the Atomic Weapons Research Establishment at Aldermaston.

Further studies are planned, under a contract with the Strategic Defence Initiative, involving both the Sprit laser, one of the world's most powerful ultraviolet lasers, and Isis, the neutron-beam generator.

"The most ambitious proposal is that the laboratory should build a special laser facility for the SDI, called Supersprite, more than 10 times as powerful as the existing facility.

Supersprite, which might cost up to £10m, could be built at Chilton, at

Aldermaston, or at an American research centre, using the Rutherford's project management experience, as used to build the Elton James Clerk Maxwell millimetre-wave telescope in Hawaii.

In a letter to the laboratory's 1,900 staff, Prof Geoffrey Manning, its director, emphasised that it is a "completely open laboratory."

Its staff and its 4,000 scientific "customers" in universities who use its facilities need no security clearance. "This is basic to the whole of our policy and we will not accept any programmes that compromise this fundamental issue," he says.

James Capel to acquire PIL

JAMES CAPEL, the stockbroker, is to buy Petroleum Information (PIL), an affiliate of Petroleum Information Corporation of Denver, for an undisclosed sum, Dominic Lawson writes.

PIL provides a range of "scouting" data to oil companies

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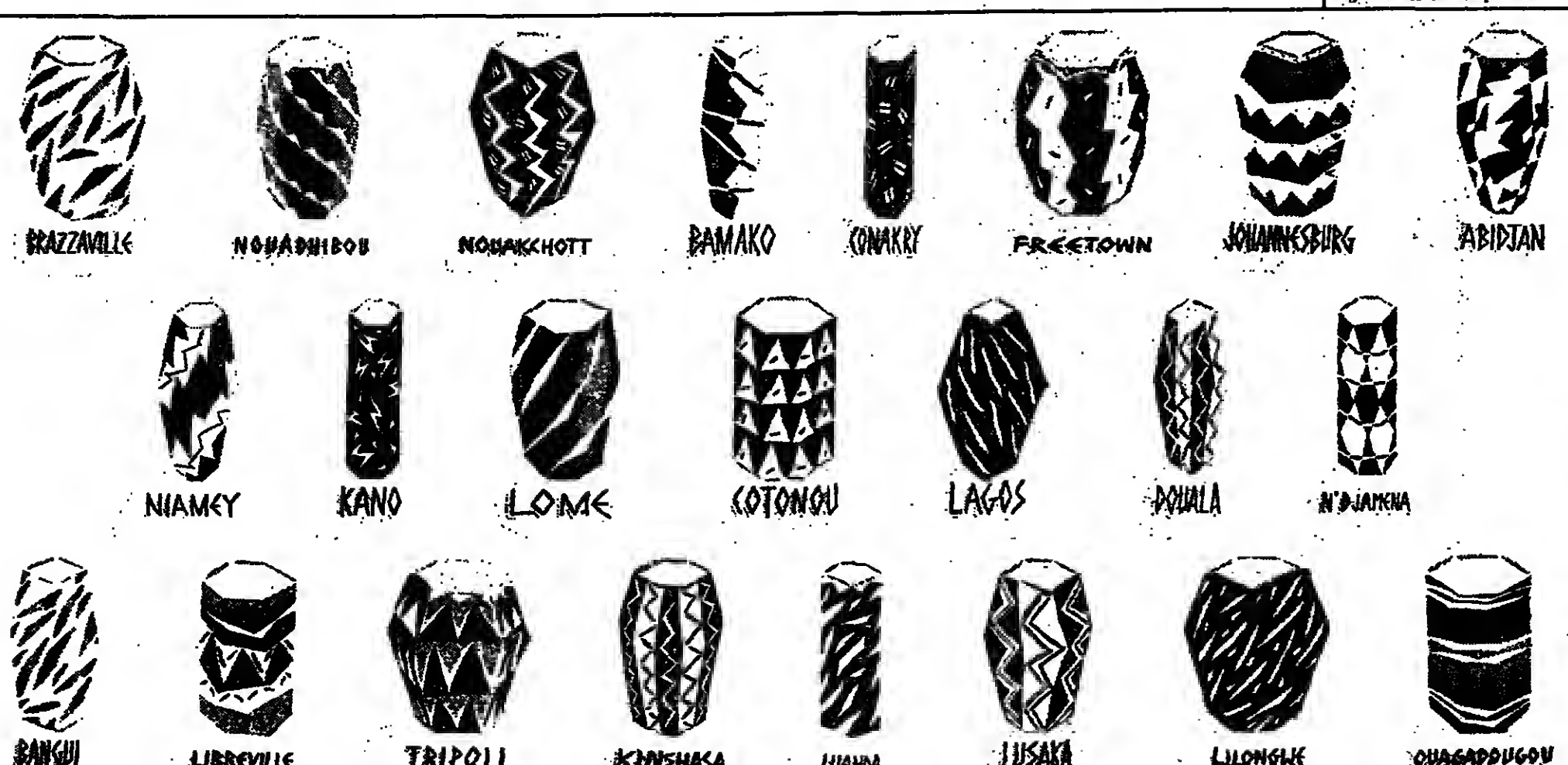
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UK NEWS

John Hunt assesses two key by-elections for the Government

Tory strongholds batten down the hatches

AFTER A quiet start, the parliamentary by-election campaigns in Ryedale, North Yorkshire, and in West Derbyshire, have gained a sudden momentum and now seem set for an exciting photo-finish when the voters go to the polls today.

In rural Ryedale, the largest constituency in England, it is now a close race between the Tories, who hold the seat with a 16,142 majority, and the Liberal/Social Democratic Party (SDP) Alliance. The Liberals have been given a tremendous boost in this constituency by an encouraging Yorkshire Television poll and hope to repeat the success they gained at Evesham when they snatched a seat from the Conservatives last summer.

One hundred miles away, in West Derbyshire, where the Conservatives had a majority of 15,325 in the 1983 general election, the Liberals have a much tougher fight. The Labour vote has been holding up more strongly in an area that has considerable industry as well as agriculture.

Yesterday, at Macclesfield, West Derbyshire, Mr David Alton, the Liberal MP, was predicting that his party was poised for "a sensational victory" and would give the Conservatives "two lovely black eyes" in both constituencies.

If those two Tory strongholds do fall, it will certainly give the Alliance a much-needed fillip after the poor showing of the SDP in the Fulham by-election last month and the

Labour leaders are today ready to see their electoral handwagon gathering pace, Richard Evans writes. The Alliance is cautiously hopeful, but with fingers crossed, and the Conservatives are gloomily resigned to the loss of a substantial number of seats in the local government elections, which coincide with the two parliamentary elections.

It will be the broadest test of voting patterns before the next general election and the results, together with the by-elections,

drop in Alliance support in recent public opinion polls. Conversely, if yesterday's Liberal euphoria proves unfounded, it will be an even more depressing setback for the SDP-Liberal partnership with a general election less than two years away.

Pushing his luck to the limit yesterday, Mr Alton said a place had already been set aside for the Liberal candidate in West Derbyshire, Christopher Walsley, to become the party's Westminster spokesman on the countryside. With equal certainty, he announced that their Ryedale candidate, Mrs Elizabeth Shields, a teacher, would assist Mr Clement Freud with the educational portfolio at Westminster.

But Mr Andy Ellis, general secretary of the Liberal Party and a veteran strategist, was far more cautious. "We certainly have a strong

momentum going for us, but we are not getting carried away."

In the wake of the Yorkshire TV poll, many of the Alliance's 25 MPs, led by the two Davids - Steel and Owen - rushed in to join the final stages of the campaign. The opinion poll, which was conducted by Gallup was just the thing that has traditionally given the Alliance "handwagon" the last-minute push to victory by persuading the undecided voters to come across to them.

In both seats, but far more noticeably in Ryedale, there has been strong evidence of a widespread disenchantment with the Government. Apart from local issues, such as deep resentment against possible cuts in rural bus services, great dissatisfaction has surfaced over education and the state of the National Health Service.

Many farmers, also, normally Conservative voters, are disenchanted with the Government and might abstain or vote Alliance.

In Ryedale, the Yorkshire TV poll puts the Alliance in the lead with 47 per cent, the Tories second with 39 per cent and Labour still way down at 14 per cent. Even the Liberals find it hard to accept the strength of the lead, but do believe they are fighting it out neck-and-neck with the Tories.

A few days ago, the Labour candidate in Ryedale, Shirley Haines, who has fought a brave battle, put out canvassing returns showing Labour in the lead. The other parties regarded that as breathtaking effort in the light of the opinion polls, which put Labour a poor third.

would never have won in normal circumstances.

But now the backcloth is different. The Conservatives have slipped in the polls, damaged by internal divisions and by criticism of its support for the US bombing of Libya; Labour is beginning to get its act together under the leadership of Mr Neil Kinnock; and the Alliance, although it suffered a grievous setback in the Fulham by-election, remains a potential threat to both.

In Malton, one of the main towns of the constituency, a Labour campaign van bellowed triumphantly: "All the newspapers are saying that Labour is in the lead." Commented one sceptical onlooker: "They must be referring to the Socialist Worker" (the paper of the Labour left).

In West Derbyshire, the TV poll has put the parties much closer together - the Tories leading with 38 per cent, Liberal a close second with 34 per cent and Labour 26 per cent. However, the Liberals were hoping that the publicity given to their much better showing in Ryedale would help to lift their vote in West Derbyshire.

Derbyshire Liberals were making frantic efforts yesterday to squeeze the Labour vote in order to get ahead of the Tories, but the opinion poll did indicate that 76 per cent of the Labour voters were firm in their intentions.

The poll was taken in two stages last week and at the weekend so Liberals hope that, since then, their party might have gained further momentum. In West Derbyshire they estimate from their last-minute canvassing returns that they are neck and neck with the Tories at about 37 per cent, with Labour behind at about 25 per cent.

Labour disputes that and says its latest returns in West Derbyshire put the Conservatives at 37.13 per cent, Labour 34.27 per cent and the Liberals 28 per cent.

Unions 'strengthened by Tory labour laws'

BY DAVID THOMAS, LABOUR STAFF

UNIONS were likely to become stronger because of the Government's union legislation, Mr Kenneth Clarke, Employment Minister, said yesterday.

Mr Clarke, who was speaking to a conference of the Engineering Employers' Federation in London, singled out the requirement to hold a pre-strike ballot.

Such ballots had helped to reduce the number of disputes to a 50-year low, he said, but they were also a powerful weapon for union leaders.

"The men who meet employers across the bargaining table in future will have to be listened to... they will also be able to deliver their members," Mr Clarke said. "The strikes which do take place may well be longer and more difficult."

In arguing this, Mr Clarke was supporting the view recently expressed by some industrialists that a successful pre-strike ballot is a powerful lever for unions in negotiations.

The Employment Minister went on to criticise the policies beginning to emerge from the Labour Party on union law. He said that more individual employment rights, which the Labour Party was now emphasising, would multiply the burdens on business and hinder the maximum flexibility of labour, which manufacturing needed.

Mr Clarke attacked the suggestion that ballots could be enforced through rule books rather than by the law. "Most of our major unions have no strike ballot rules at all," he said.

The minister underlined the Government's emphasis on linking pay to performance and profits by arguing that lower inflation had given managers a chance to tackle traditional pay bargaining systems, which he described as antiquated and absurd.

Mr Clarke concluded that more realistic union attitudes meant that companies could now encourage employee involvement.

Veto urged over rise in EEC tax receipts

BY WALTER ELLIS

THE HOUSE of Commons Treasury and Civil Service Committee has urged the British Government to use its veto in the EEC Council of Ministers to prevent any increase in the level of value-added tax (VAT) receipts payable to Brussels. VAT is the main source of revenue for the EEC budget. The ceiling was originally 1 per cent but was raised to 1.4 per cent, in spite of severe UK misgivings, as the operation of "obligatory" spending - mainly on the Common Agricultural Policy - became seriously threatened through lack of funds.

In Brussels, the Commission has said that the 1.4 per cent barrier is bound to be breached as a result of future budget increases. A new ceiling - permissible from January 1988 under the terms of the EEC's Fontainebleau agreement - would therefore become essential.

The committee's view is that fiscal rectitude would disintegrate if further resources were to be made available on demand. It argues that since Fontainebleau merely allowed the ceiling to be raised, without actually recommending an increase, Britain is under no legal obligation to accept any change.

Mr Terence Higgins, the Conservative MP who chairs the committee, said yesterday that the EEC budget was "out of control" and was too often shored up by deals made outside the terms of the Treaty of Rome. Discipline had to be restored and Britain should decline to sup-

port any further substitutes in the form of (non-Treaty) intergovernmental agreements.

One possible consequence of overstepping on agriculture, Mr Higgins felt, might be a damaging trade war in farm products with the US.

The committee, referring to current litigation between several member states of the Community (including Britain) and the European Parliament on the 1986 budget, says that steps must be taken to ensure that budgetary control is vested "securely and finally" in the Council.

It calls on the UK Government, in the event of an unwelcome court ruling, to come to the House of Commons at the earliest possible moment to enlist support for the necessary change in Community law. It also recommends that Britain should raise the need for amending legislation in the Council.

The committee is clearly impressed by past efforts in Brussels to arrive at a "reasonable" budget and observes that "the self-enforcing character of budgetary discipline is a chimera."

Britain takes over the presidency of the Council of Ministers for six months from July 1. The committee sees that as an opportunity for the Government "to put together a viable political initiative to see that matters improve and do not deteriorate further."

Westland share ruling

BY JAMES McDONALD

THE LONDON Stock Exchange committee was satisfied that members of the exchange, "in difficult circumstances," acted in accordance with established practices in relation to dealings in Westland shares, the House of Commons select committee on trade and industry was told yesterday.

A written statement by the council of the Stock Exchange said that members took full account of the interests of clients where no precedent was available for guidance.

The stock exchange committee decided that a two-tier market of the type that operated in Westland shares between the end of December last year and February 12 this

year "is acceptable" provided that all participants are aware of it and it is widely published, which was not the case during the period in question.

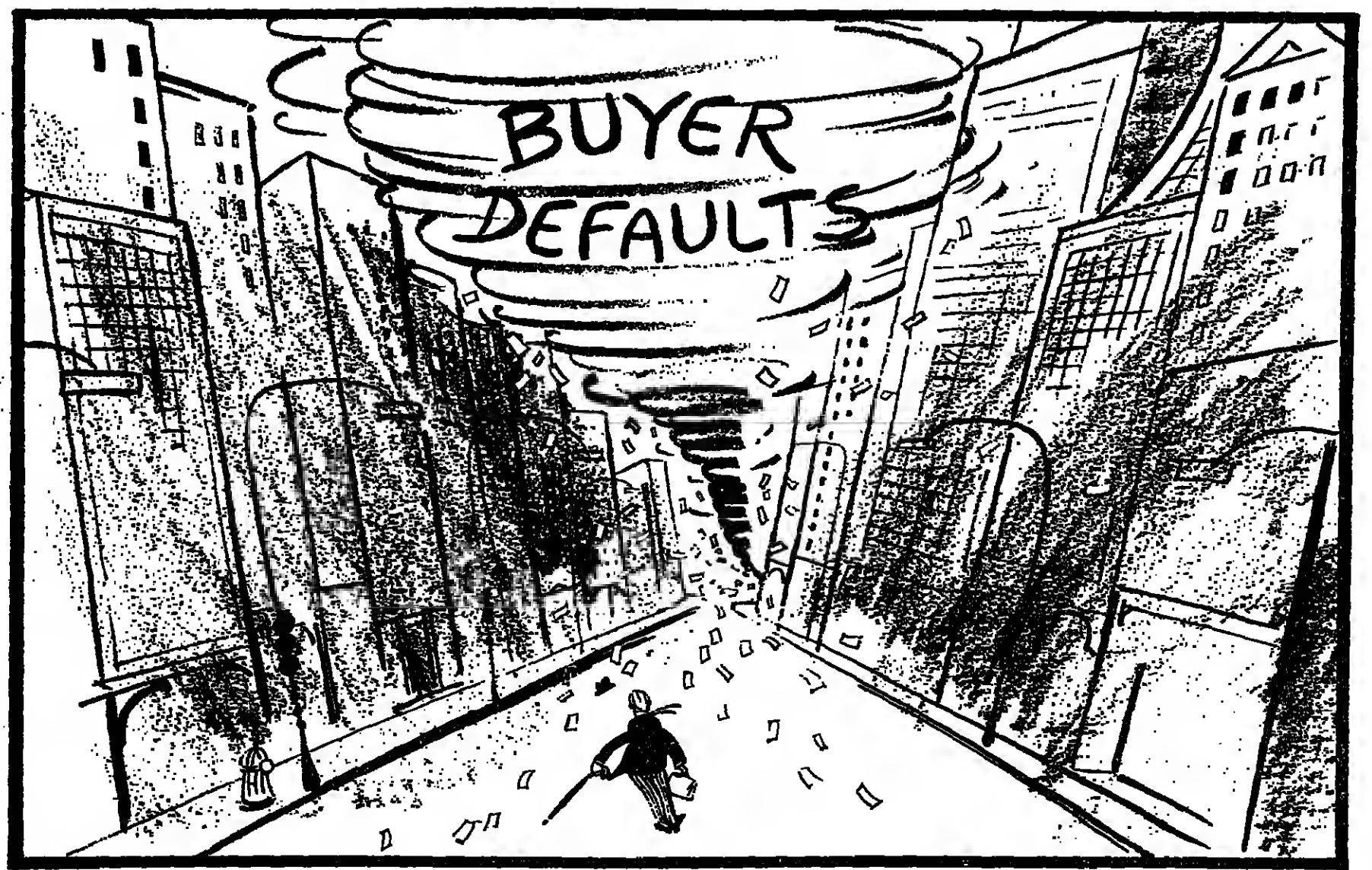
The committee recommends that the guidelines for open-market purchases should be reviewed to make the market more efficient to a wider clientele in future situations, and that guidelines be provided on dealing in shares with proxies attached to them.

The MPs were also told the stock exchange committee recommended that it should be a "declared" beneficiary that only a "declared" beneficial owner of shares could vote at a special meeting.

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- THE SEMI-CONDUCTOR INDUSTRY IN THE 1980's — A EUROPEAN VIEW**
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- BUSINESS STRATEGIES FOR THE US MARKET**
Mr Alain Gomez
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UK NEWS

'No secrecy' pledge on Sellafield operation

MR PETER WALKER, Energy Secretary, yesterday toured the Sellafield nuclear reprocessing plant in north-west England in what turned out to be a gesture of open and aggressive support for Britain's nuclear industry.

The Nuclear Installations Inspectorate, a nuclear industry watchdog, is at present investigating operations at Sellafield after a series of leaks of radioactive material.

The fact-finding tour of the British Nuclear Fuels (BNFL) plant was conducted at such a whirlwind pace that there was little time for Mr Christopher Harding, the new chairman of BNFL, to explain anything in depth to Mr Walker.

A series of orchestrated pauses occurred near photographic parts of the plant, during which Mr Walker adopted an expression of concerned interest while seven television crews pushed, shoved and scrambled to take pictures.

Mr Walker saved his general defence of the industry for later, saying that safety standards in the UK were so high that there was no prospect of a Chernobyl-type accident at any of the old Magnox type of reactors. Permission to build a reactor similar to the one at Chernobyl would not be given, he said. Mr Walker pledged that there would be no secrecy surrounding the UK industry and called for more international co-operation in sharing information on nuclear problems.

Radioactive discharges into the Irish Sea would be close to zero by the mid-1990s, he said. The actual values would be 0.7 terabecquerels

Mr Peter Walker, Energy Minister, is seeking an improved line of communication with the British public so that they more readily understand what is happening in the nuclear industry. Ian Hamilton Fazey reports.

(TBq) of alpha radiation a year compared with 200 in 1973, and 500 TBq of the less harmful beta radiation a year compared with 8,800 13 years ago. The respective values now are 20 TBq for alpha and 500 for beta radiation.

Discharges into the sea had not been unsafe. Tests on people who ate well above average amounts of seafood from the Irish Sea showed that there was no danger, Mr Walker added.

Standards of inspection of discharges "could not be higher". As far as the Irish Government's view that there should be independent, internationally based inspection of Sellafield, he would be happy for any agency to inspect British standards and inspection methods and compare them with those elsewhere.

While the military uses of nuclear material and energy had to remain subject to the Official Secrets Act, the Government wanted the most open information policy possible about the civilian nuclear industry. There would be better communication

with the public. It was not the task of the industry to educate the public so that people could understand nuclear jargon. Instead, the industry had to find ways to communicate in terms that people could understand easily.

BNFL possessed "staggering scientific and technical skills," Mr Walker said. One sixth of its workforce was employed on safety. He was concerned to demonstrate early on that the Government supported a new management team now established at the plant.

It was right for responsibility for the nuclear industry not to be concentrated in his own department. It was better and safer for the departments of the Environment, Agriculture and Health to have reciprocal interests of their own to safeguard on nuclear matters.

Government policy was to have as open a debate as possible about the industry's development, as evidenced by the open nature of the inquiry to build a pressurised water reactor at Sizewell, on the east coast of England.

Although there were understandable fears about safety, Western Europe's standards were high. He could understand the nuclear disarmament lobby wanting to ban all things nuclear as a step towards eliminating nuclear weapons, but if there had been a similar debate about the introduction of gas and electricity — both dangerous if not handled safely — those forms of energy would never have been introduced.

Governor of Bank in credit warning

THE FINANCIAL community's ability to make sound long-term credit decisions might be weakened by financial innovation that encouraged marketable forms of lending at the expense of traditional bank credit, Mr Robin Leigh-Pemberton, Governor of the Bank of England, said yesterday.

"If the market is driven by traders, long-term credit decisions may be taken on the basis of short-term market probabilities," he told a conference organised by the banking magazine *Euromoney*.

A bank expecting to hold a long-term credit to maturity might apply different criteria from a bond investor who believed he would be able to sell his investment. Yet there had not really been any test of the real marketability of most new forms of securities in times of crisis, he said.

Innovation had brought benefits to users of financial services, he said, adding that the Bank welcomed signs of revival in the UK corporate bond market. That had, however, potentially negative consequences for banks if they were left only with loans to customers whose credit standing was not good enough for them to tap the bond market.

Innovation had also brought new difficulties for bank supervisors and regulators, he said. As securities firms established global networks, there was particular need for securities regulators in different countries to establish closer working relationships.

The governor repeated an earlier call for closer co-operation between national authorities responsible for regulating banks and those whose job it was to control the securities industry.

"With banking and capital markets becoming closer and borrowers moving between them, I wonder whether banking and securities supervisors should not be putting their heads together internationally," he said.

A warning on innovation also came from Mr Alan Clements, finance director of ICI. "No matter how sophisticated the new developments may seem, the risk of crisis remains," he told the conference.

MPs query scale of nuclear spending

BY MAURICE SAMUELSON

BRITAIN'S nuclear-energy programme underwent sharp and critical scrutiny yesterday by members of the House of Commons select committee for energy anxious to test official reactions to the Chernobyl disaster in the Soviet Union.

Conservative and Labour members of the committee claimed that the Department of Energy was funding a disproportionate amount of research on nuclear power compared with coal, renewable forms of energy and conservation technology.

Mr Tony Speller, (Conservative) accused the Energy Department of

appearing involved in nuclear energy to the exclusion of everything else. Mr William O'Brien, (Labour) said that compared with the scale of Government-funded research on nuclear power, coal was treated "like a starving child."

Out of the £277m research and development (R & D) budget this year, £100m will be spent on the fast-breeder reactor project and more than £20m on nuclear fission. That contrasted with little more than £1m to be spent by the department on coal research.

Mr Peter Gregson, the department's permanent secretary, re-

plied that the Government spent proportionately more on nuclear research than on coal because R & D on coal was being funded by the coal, electricity and gas industries. It was up to the Government, however, to finance long-term R & D on fast-breeder and fusion projects, which were carried out as part of collaboration with other countries.

The Government would "look carefully" into the Chernobyl disaster before deciding whether it was necessary to spend more on direct research into the safety aspects of nuclear power.

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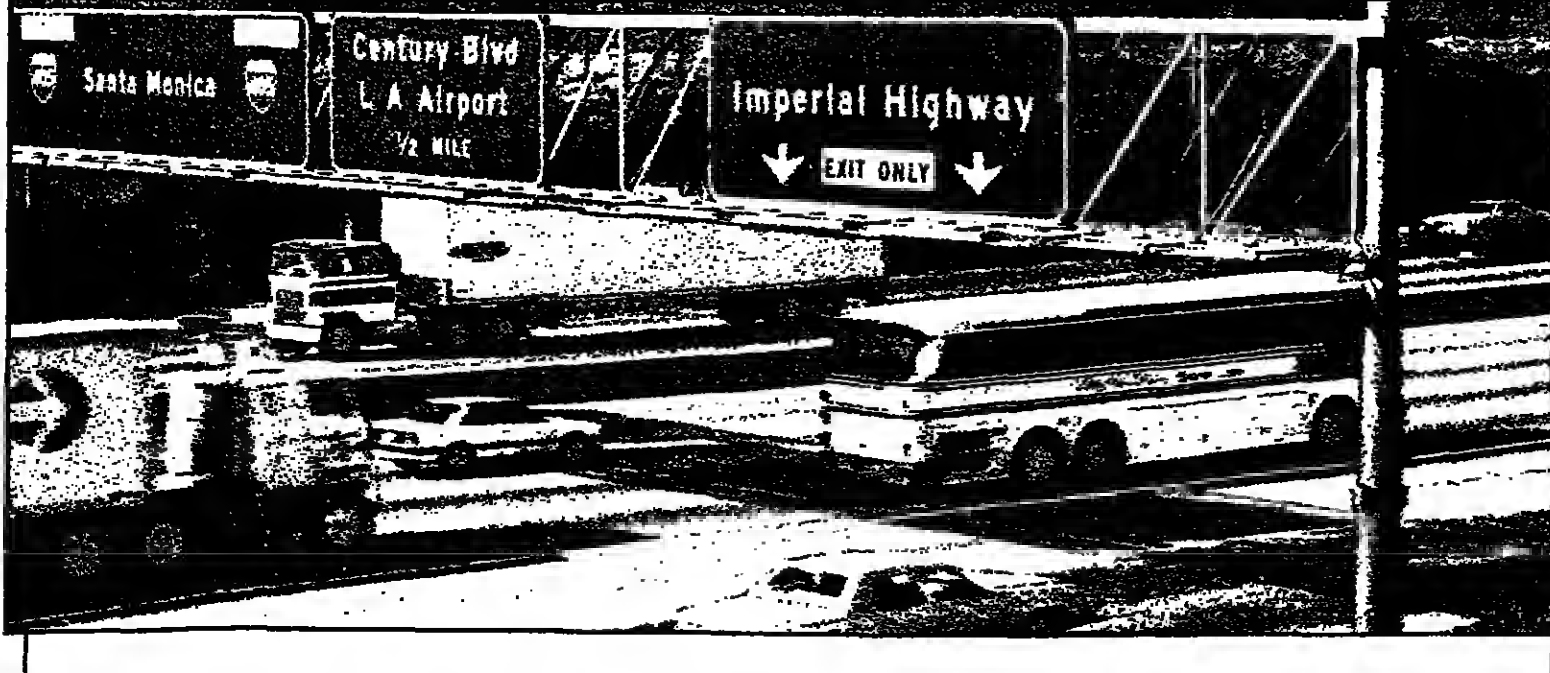
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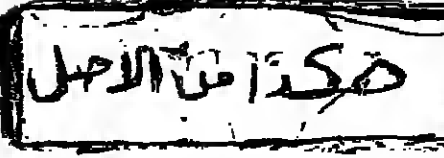
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THE ARTS



Benjamin West/David Piper

Home thoughts from a broad canvas

The Paintings of Benjamin West by Helmut von Erffa and Allen Staley. Yale University Press, £50

"The Father of American painting" they sometimes call him, though he left his native America for Europe in 1760...

on the first hoisting of the American flag in Britain. I doubt if Jackson Pollock thought much about West being the father of American painting...



"Cupid Stung By A Bee," by Benjamin West

The deaths of Wolfe as of Nelson were depicted, not in idealised classical costume, but in the uniforms of the time...

anticipate those later produced for the decoration of the new Houses of Parliament...

There have been several exhibitions of his work in the States, and one is currently assembled at Philadelphia...

His quality is most convincing in studies and smaller portraits. Of one early essay on the "Death on the Pale Horse" theme...

Their work is essentially a catalogue indeed. Staley's able and persuasive artist who starts by targeting the work to art history...



Anton Lesser and Juliet Stevenson as Troilus and Cressida

Troilus and Cressida/Barbican

Michael Coveney

Both Germaine Greer and Jonathan Miller have commented in newly published books how Shakespearean heroines are distinguished by their dress...

and it is from this moment that Miss Stevenson, instead of following Cressida's usual path of tearful dejection and careless promiscuity...

(Sean Baker oddly sinister in a black monocle). Crashing chords of pastiche salon piano music...

The Barber of Seville/New, Cardiff

Rodney Milnes



Debra Jones as Rosina in Barber

The Welsh National Opera is nothing if not full of surprises. Following the shocks, pleasurable or otherwise...

Hyperactive business also extends to the main action — time-disorganised gags overused, ceaseless mugging by extras during solo numbers...

was ill: a wholly dispiriting, numbing experience. In these circumstances it was the more experienced members of the cast who came off best...

It is difficult to write about a Fiasco whose opening curtain is relentlessly upstaged by a horde of supernumeraries...

The opera was sung in a new translation by Robert David MacDonald. There are lots of sharp and witty lines in the well-rehearsed recitatives...

Béjart/Reggio Emilia

Freda Pitt

The Teatro Municipale Romolo Valli in Reggio Emilia has just published an impressive and useful illustrated volume recording all the dance performances that have taken place there over the past 30 years...

No one can deny Béjart his flair for mass hypnotic, but it seemed to me that the programme was not only poorly devised but demonstrated all too strikingly how Béjart's advance as a showman has been accompanied by his decline as a choreographer...

By far the most interesting work in the programme for anyone who is well acquainted with the company's repertoire was Sonate à trois, which I had not seen since Western Theatre Ballet's 1960 performances...

evening) is a serious attempt to re-interpret Stravinsky's bleak His Glories in dance terms. If the choreography contains nothing as shockingly memorable as the famous line "L'enfer, c'est les autres"...

The three dancers all expressed their bitterness with telling intensity and danced impeccably. Both the women (dark Colleen Neary as Ines and blonde Shonagh Mirk as the young Estelle) were point shoes, the choreography used being strictly classical, with acrobatic overtones...

Most of the women in the company could have taken the three days off since even the two or three female soloists had little to do in the suite culled from Dionysos, which contains in abundance all the ingredients listed above as so hearteningly missing from Sonate à Trois.

Bernstein gala/Barbican Hall

David Murray

For the first time in the current Bernstein Festival, Leonard Bernstein took an active part on Tuesday in celebrating his own career (with the monarch, television, Radio 3 and sundry others). The concert will be repeated without royalty — unless of course they insist — tomorrow (returns only) between the other remaining Festival concerts today and on Sunday...

Generous spirit that he is, Bernstein has always been quick to appreciate other musicians of high calibre, and for each of the works in this programme he enlisted notable artists of the younger and youngest generations: the violinist Gidon Kremer for the Serevade, the pianist Krystian Zimerman for Age of Anxiety (his Second Symphony, but a

concerto in all but name) and Aled Jones as boy soprano for the Chichester Psalms. The London Symphony Orchestra and Chorus did the rest, with all the enthusiasm that Bernstein customarily excites. Earlier performances of the Chichester Psalms, commissioned in 1965, have suggested no elaborate subtleties, nor did this one, though Bernstein persuaded his forces into an appropriate full-throated candour and forthrightness. There are Mahlerian tags in the music as well as infectious syncopation (but no Stravinsky, surely; between Bartók and pure American in Bernstein, I never detect anything like a Scherzo passage, he was impeccable too, while refusing to seize the limelight; Bernstein could hardly wish for a more devoted interpreter. Zimerman allowed himself more secretive solo role in Age of Anxiety than the essentially extrovert score (by European standards) could really accommodate, but he sprang brightly into the moments of Gershwin-esque glitter. Again it was satisfying to hear the author represented in his own hand.

Home/Covent Garden

Richard Fairman

Many singers warm up on early Italian arias. For her return recital at Covent Garden, Marilyn Horne chose a Vivandé and an Italian Handel, but there was not much suggestion of just warming up here. Like every other item of the evening, these two were alive from the first note to the last. Alert and witty, aggressive and vibrant, Miss Horne is a singer who lets nothing pass her by.

The very act of singing seems to cost her more effort these days. Like a general marshalling his forces, she gets the whole body into action when she wants to punch out the semiquavers or attack the top notes with her old venom. Happily, though, everything still works: the agile coloratura, the Italianate bel canto, even those renowned low notes that boom out just a little more often than they ought to. Perhaps the voice is not a romantic instrument, but even in a group of Mahler songs, where one would ideally have wanted more softness, she turned it to her advantage. "Wo die schönen Trompeten blasen," came across in a most individual way, cool and stark, a twist of mischief in the end. How beautifully, too, Marilyn Horne played in these, each phrase a refined and very superior example of the accompanist's art.

A group of songs by Samuel Barber made the singer work hard. These are simple stuff — plain tunes and repeated chords — and it is difficult to make them paint a vivid picture. Even so, "Bessie Bessie" the old dear muttering about God Almighty, can rarely have seemed as characterful as she did here, nor the changing forces of "I hear an army" as immediate as they were. The evening ended with five Italian songs. In repertoire like this, Marilyn Horne has few equals, tracing out the vocal line with perfect poise, love and intensity. It may have been a coincidence, but each of them — from Donaudy's "Oh, bow all charm has fled" to Tosini's "L'ultimo bacio" (the last kiss seemed to talk about farewell). This will not do. On form like this she must certainly come back again.

Saleroom/Antony Thorncroft Market wonder

The extraordinary prices paid in the US for works by contemporary artists are the wonder of the art market. The only historic justification is that in the post-war period New York became the centre of the art world and Americans are keen to acquire their native heritage. This week both Sotheby's and Christie's held major contemporary art sales in New York with predictable results — some important works, in fact the most important work, failed to find a buyer but others did extremely well. In particular mobiles and sculpture were in demand. Christie's, for once, had the major works and its auction on Tuesday totalled £3,560,096 with 33 per cent unsold. This unsold figure is not especially high for a contemporary art sale and was mainly accounted for by the failure of the top lot, Jasper Johns' famous image Target, painted in 1961, to find a new home. It was bought in at £1,290,000.

The highest price of \$851,612 was paid by a private collector for a welded steel sculpture by David Smith, one of 25 he created around 1962 for the Spoleto Festival in Italy in his "Voltri-Bolton Landing" series. It was a record for the artist. Red Pointing by Roy Lichtenstein went for £293,870, rather below forecast, and Ocean Park 121 by Richard Diebenkorn for £241,290, above forecast. Deep Ozer Pole by Adolph Gottlieb also did well at £198,700. Sotheby's evening sale totalled £2.4m, with 26 per cent unsold. The main attraction was the mobiles of Alexander Calder. Eight were on offer, four of which came from the Guggenheim Foundation. All sold, with seven going way ahead of forecast; the top price was £122,880. Best in the sale were two Roy Lichtenstein's, a cartoon of a helmeted soldier, which made £245,982, and Swamp Eley by Hans Hoffman, which beat its target at £150,310.

Arts Guide

Exhibitions

PARIS From Rembrandt to Vermeer: 90 chefs d'oeuvre on loan from the Rijksmuseum in Amsterdam. 17th-century Dutch painting with Vermeer's View of Delft with genre paintings, still lifes and landscapes. Grand Palais. Ends June 30. (021 5410).

Redon's inner visions. The Louvre, Pavilion Flore (4281 9410). Ends June 9. Dutch and Flemish paintings from the 16th and 17th century. The 15 choice works represent the quintessence of Flemish art. There are the still lifes with fruit or flowers so true to nature. There are the peasants harvesting and drinking with equal gusto, painted by Pieter Brueghel the Younger in glowing colours and a vigorous line, as well as his misty winter scenes with skaters, snow-covered roofs and black crows in bare branches. Jan Brueghel the Younger shows a crowd of villagers on a quayside. De Jonckheere Gallery, 21 Quai Voltaire (428 12314). Ends May 29.

Spain: Contrasts of Forms. Abstract and geometrical art sponsored and recently exhibited at MOMA, New York. 150 works by 20th-century artists set out chronologically, offers a coherent display to 1986 with Braque, Léger, Picasso, Mondrian, Bibi Stas, Matisse (1869-1929). The greatest living French artist, as he was called, was an innovator who revolutionised the course of modern painting by playing a leading part in the creation of a new artistic movement: Impressionism. 125 paintings on loan from private collectors and museums from all over the world will offer a good overview of his different artistic periods with a prominent representation of his most famous period at his home at Giverny. Museo Nacional de Arte Contemporáneo, Avenida Juan de Herrera 2. (449 71 50). April 29 - end June.

Italy: Museo Nazionale del Bargello: Homage to Donatello to celebrate the 6th centenary of his birth. The 19 Donatello's museum owns, of which only six are of absolutely certain attribution, have been grouped, with much documentation, to give a new view of the artist. The exhibition includes his extraordinary, languid bronze David. Ends May 30. Museo Palazzo Braschi: (Piazza San Pantaleo). Edvard Munch (1863-1944): More than 250 works of the Norwegian painter from the Munch museum in Oslo and private collections. Death and illness became a dominant theme in Munch's work: Subjects such as Death in the Sirekroom are reworked in oil, charcoal and pastel — each seeming more compelling than the last. Also on show is his extraordinary work The Scream painted in 1893, in which the scenery becomes a vortex for the central, anguished figure. During the 1890s, Munch moved away from realism and Impressionism (there are three delightful paintings on show of Nice and St. Cloud) towards expressionism, a style which he used to express not only desolation, but also lyricism and passion. Ends June 1. Museo Napoleonico (Palazzo Príncipe, Piazza Fontana Umberto I): Thirty-five attractive prints depicting the more spectacular events of Napoleon's career. The engravings, based on a series of frescoes which Andrea Appiani painted for the Sala della Caricatura in the Palazzo Reale in Milan between 1803 and 1807, were made by Longhi and Rosapina under the supervision of the artist. Ends May 15.

Netherlands: Amsterdam: Van Gogh Museum. 90 Whistler etchings from the Zelman collection follow the career of the brilliant eccentric from his Paris period, through the penetrating observation of London's dockland, the tranquility of the Venetian lake, and closing with the late, dramatic impressions of Amsterdam. Ends June 8. London: The Hayward Gallery: Falls The Shadow — this year's Hayward Annual for the first time extends its view of contemporary art from Britain into Europe. The Arts Council's guest selectors, Barry Barker and Jon Thompson, taking a hint from T.S. Eliot's ambiguous poem of the mid 1920s, The Hollow Men, abandon the principles of avant-gardism in favour of a more open and catholic

modernism. The result is an elegant, difficult and fascinating anthology. Ends June 15. New York: Museum of the City of New York: Art Blat's paintings, drawings and sculptures of Three Penny Opera covering 12 scenes and 11 characters, were inspired by the historic Theatre de Lys production in 1954 starring Lotte Lenya. Ends Oct 15. Metropolitan Museum: Two centuries of Renaissance masterpieces from Nuremberg include 370 works in painting, sculpture, tapestries and illuminated manuscripts by Albrecht Dürer, Hans Baldung Grien, Yvet Stoss and Adam Kraft. Ends June 22. Washington: National Gallery: The 15th anniversary of Winslow Homer's birth is commemorated in an exhibit of 100 watercolours of rustic scenes and rural life, which show Homer's experimentation in watercolours before he attempted subjects in oils. West Building. Ends May 11. Hirshhorn Museum: 75 works of the California sculptor Robert Arneson presents the glazed ceramics he pioneered in what became the Funk movement in the 1960s with its irreverent view of other artists, contemporary artefacts and art itself. Ends July 6.

MUSIC/Tuesday, Opera and Ballet/Tuesday, Theatre/Wednesday, Exhibitions/Thursday, A selective guide to all the Arts appears each Friday.

May 2-8

FINANCIAL TIMES

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Thursday May 8 1986

An old lady with teeth

IN TWO speeches in two days senior officials of the Bank of England have underlined the dangers of new trends in international finance and the Bank's determination that bank managements in the City of London understand these dangers and limit their exposure to them.

In a speech on Tuesday by Mr George Blunden, the new deputy governor of the Bank, there was a little trace of the light and beguiling touch of the Bank of a decade ago. Far from luring foreign bankers to London with promises of understanding and flexibility, he told them that the British had been having to live with a toughened regulatory regime and that foreign banks in London would have to conform to it.

This approach is not really new. It is the result of a trend towards more professional bank supervision that began with the secondary banking crisis 12 years ago. Before that crisis 13 Bank of England officials concerned themselves with such supervision. After the Banking Act of 1979, which formally empowered the Bank to supervise banks, and before the drama of Johnson Matthey Bankers, which called its supervision into question, their number hovered around 80. Today, the somewhat chastened Bank has 160 and is looking for more. The glass-of-sherry days are over.

Ingrained habit
This beefed-up Bank seems determined to make the international running in meeting the regulatory challenge of the moment, split out by the Governor yesterday. This concerns the proliferating number of unsecured obligations that banks are letting themselves in for as they shift from being conduits for funds to being arrangers of direct finance between lenders and borrowers.

The history of financial regulation is that innovation leads to instructive crises which then brings in rules that discourage a repetition. Floating charge rates between investors and bank funded sovereign loans—Mexico, and so forth.

There is a chance that in dealing with the banking risks of this fashion for "off balance sheet business" the Bank of England and the basic-based club of international banking supervisors will get prevention into place before a crisis shows it to be necessary.

These supervisors have struck with an early exposure of the problem and it has become an ingrained banking habit. The Bank of England

has published draft guidelines consistent with this Basle paper, on the amount of capital required to support off balance sheet obligations. It has done what it can to carry the City's bankers with it in this exercise.

Even where it cannot, the Bank, empowered by law, stiffened by JMS, encouraged by good international preparation, must run with this set of guidelines. It needs to get it accepted that the City is attractive to bankers because it is alertly regulated and not because the supervisors pant along politely some way behind.

Broader challenge
The attempt to make sure that banks cushion themselves adequately against these new risks is vital if the full benefits of "securitisation" are to accrue. Direct flows of finance, through the medium of securities, was the great lack of the 1970s when the banks stepped in where bondholders feared to tread. But the virtues of security finance—the direct and contained exposure of lender to the borrower's terms, credit risk and liquidity shortcomings—are undermined if banks buy securities, or in some way guarantee their saleability, without providing for the risk involved.

This in turn raises a much broader challenge of international financial supervision which the Governor touched upon yesterday but which governments have barely started to address. Central banks and bank controllers have had 10 years' practice in reconciling their approaches to bank supervision. But who will harmonise the supervision of investment banking and the securities business which banks are now doing—through the classic deposit-taking sense of the word—also so attracted to? And how do we make sure that investment banking does not become a softer regulatory touch than banking proper?

London, with its lack of legal separation between investors and commercial banking, is the centre in which this conundrum will be played out. Yet the Bank of England does not have legal powers in the securities business. The Securities and Investments Board, with its fiftieth of Self-regulatory Organisations, is still taking shape. Yet it is not too soon for its officials to start regular meetings with the SEC in the US and thus start building a forum for securities regulators that will inevitably be needed in the future.

Key choices for the Dutch

THE DUTCH recovery from Dutch disease is in jeopardy. Both domestic political pitfalls and shifts in the world economy may halt the progress that has been made under the centrist government of Mr Ruud Lubbers which has been in power since 1982.

In spite of Mr Lubbers's personal popularity, opinion polls indicate that the coalition's majority will be in danger on May 21 when a general election is to be held. That opens up the possibility of a minority government, with all the instability which that implies, along the present lines; or of a coalition between Mr Lubbers's Christian Democrats and the Labour Party.

The latter alternatives, too, would be unstable because of political and personal differences between the potential partners. It would also demand at least a modification of the economic strategy pursued since 1982. The main objectives have been to reduce persistently high budget deficits; to reduce a bloated public sector; and to reduce unemployment.

Some success
A measure of success has been achieved, partly with the aid of the worldwide economic expansion of the past few years. The latest report of the Organisation for Economic Co-operation and Development on the Dutch economy notes that the tax burden and the relative size of the public sector have been wound down and that employment has been increasing.

But the report also makes clear that the process of adjustment still has a long way to go. In particular, it opens up the possibility of a high deficit after two years of reductions and that narrow wage differentials and narrow differentials between low pay and unemployment benefit continue to impose rigidities on the economy.

Economic management has been complicated by the decline in the oil price which, inevitably, will drag down the price of natural gas. Such is the role of energy in the Dutch

economy, that it has been providing about 13 per cent of government revenues. This is now bound to change abruptly. The speed at which spending cuts are made will have to increase, or the tax will have to be raised.

A blend of both will in practice be needed, making heavy demands upon both economic and political management. The Liberals, junior partners in Mr Lubbers's coalition, and with them the employers, dislike higher taxes, arguing that cheaper energy will stimulate the rest of the economy and, thereby, provide additional tax revenues to make up for the loss of government income from gas.

Major achievement
By and large, Labour, too, has accepted the need to reduce budget deficits. But unlike Mr Lubbers and his Christian Democratic following, Labour would wish to throw the main burden upon the corporate sector rather than the personal sector. That would discourage investment and, with it, the reorientation of the economy from an excessive dependence upon gas towards a stronger manufacturing element.

It has been a major achievement of the Lubbers Government to settle the political dispute about stalling nuclear weapons on Dutch soil. Against the bitter opposition of Labour and some others, the necessary treaty was ratified by the parliament on February 28.

An attempt to reopen the matter after the election would cause enormous complications both within the country and in the western alliance at large.

The outcome of the election therefore, to be of more than usual interest to the Dutch themselves and to the outside world. A reopening of the acrimonious European debate about cruise would be most unwelcome. As for the Dutch themselves, they must decide whether their Belgian neighbours—whom they wish to follow up the initial surge with the national economy,

THE Dutch police have this week launched a series of search and seizure raids on a number of unauthorised share-dealing firms in Amsterdam.

Over the last year these firms, through the use of the international telephone network, have persuaded small investors, mainly in Europe and the Middle East, to part with an estimated £300m. For their money investors receive shares of dubious or negligible worth in small start-up companies, unlikely to make any profits for several years. The fringe investment firms have been charging mark-ups on the shares of between 1,000 and 10,000 per cent.

A few of the largest firms are associated with convicted Canadian fraudsters and many of their salesmen have been recruited from Canada.

The firms, which describe themselves as stockbrokers, venture capitalists or even merchant bankers, have taken advantage of the Netherlands' lack of exchange controls and regulations controlling share pushing. Their telephone investors in other countries, such as Australia, where their activities would be illegal. Following protests from other governments and the Amsterdam Stock Exchange, the Dutch authorities are now tightening up the regulations and hope to gather sufficient evidence to close down the operations.

Police have travelled from Canada to assist in the operation. The "boiler rooms", as the telephone share-pushing operations are called because they were traditionally based in out-of-the-way locations, sprung up in Canada in the 1950s before the securities laws there were tightened up.

One of the Dutch companies, First Commerce Securities, which was set up only three years ago, has become one of the largest retail securities firms in Europe with revenue from private investors probably greater than any London securities company. Its success has come mainly from selling the shares of just two companies.

The first company, DeVoe-Holbein International, was incorporated in the Dutch Antilles with \$18m of share capital. Its aim is to develop commercially metal extraction process using natural organisms which was invented at McGill university in Montreal.

By 1984, when the company had recorded no sales of profits, First Commerce was selling its shares at a price which valued it at over \$200m. During some periods last year, its 40 salesmen were taking in about \$25,000 a day from selling DeVoe-Holbein shares to investors around the world. According to the present managing director, Mr Walter Bonn, the company has 18,000 to 20,000 clients.

First Commerce refuses to identify its ultimate owners. It has been associated with Irving Kott, a share trader who was

fined \$500,000 for committing a securities fraud in Canada in 1976. Salesmen employed until recently by First Commerce say that Mr Kott was a regular visitor to its offices in Amsterdam's World Trade Centre bringing them updates about DeVoe-Holbein.

Mr Irving has quite a dominant personality, said one. "When he told people something about a new development with DeVoe-Holbein, they believed it."

Mr Kott's son, Michael, also works at First Commerce although, like many of the salesmen, he often uses a false name when dealing with clients.

Some of the salesmen trained at First Commerce left to set up their own operations in Amsterdam on similar lines when they realised how much money the company was making, although until last year they themselves

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NETHERLANDS-BASED SHARE DEALERS

Behind the boiler room door

By Clive Wolman

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struck with other companies. The conclusion is a wildly optimistic forecast for the sales and profits growth of the company over the next few years—and for a sharp rise in the share price over the next few months. No figures however are given on actual sales and profits, if there are any.

After a subscriber has received a few newsletters, he or she rarely she is considered ripe for a telephone call. First Commerce has a large and sophisticated sales organisation, with about 50 sales and another 70 administrative staff. Its telephone switchboard is reputed to be one of the biggest in Amsterdam.

According to two salesmen who worked for the company until last year, the sales staff generated list of names every

had to make three or four calls to get a British investor, said one. "But once they invested, they would spend more—and more to try and recover their losses. Although they all had unit trusts, they seemed to have no idea of the risks they were taking. They would ask us about dividend dates. But they were always impressed that we had taken the trouble to call them from Amsterdam."

The stock, they would say, was traded on the Amsterdam over-the-counter market, although there is no such official market. In fact, the market in DeVoe-Holbein shares, such as it is, was made by First Commerce. If their salesmen had generated excess demand for shares, First Commerce would go short of stock at one price—and later buy back at a much lower price. The salesmen esti-

mate that the owners of First Commerce must have grossed about \$500m over the last three years from selling and then trading DeVoe-Holbein shares—and, later, shares in a second company, City Clock.

Whenever investors tried to sell back their shares, the salesmen were told to try to dissuade them by marking down the share price sharply. This made their quotes of share prices meaningless. In fact, they would encourage investors to buy more, to average down their buying costs. One person who had already spent \$1m on DeVoe-Holbein shares was persuaded to withdraw his sell order in return for more free shares in the company with a "market" value of \$250,000.

If the investor insisted on selling, he could still be frustrated by administrative delays. As many as 50 to 60 telexes arrived on some days bearing complaints from investors.

First Commerce has also been used by foreign investors

anxious to export their money illegally, possibly to evade tax. One contract for 20 American investors in DeVoe-Holbein shares, using money that was smuggled out of the country illegally, through a Swiss bank account, First Commerce was unable to face any legal action from this source.

One person who was persuaded to invest in DeVoe-Holbein was Mr Ken Wright, a British electronics engineer working in Kuwait with 15 years' experience of investing in shares. In the summer of 1984 he started receiving an investment letter from First Commerce, which was unsolicited. While on holiday in England, he was tracked down by a telephone salesman, who said: "DeVoe-Holbein, Mr Wright says now. He made it sound very exciting and said that his company had just been

leaked, some inside information about what they were doing. I was naturally very interested and took for 10 to 15 per cent return. But like an idiot, I thought that for once I could go for something bigger and get into a company at the start."

The salesman was extremely helpful and friendly, he added, at least initially. Five months later however Mr Wright became suspicious when the salesman tried to get him to buy more shares. He sent orders to sell his shares and the telexes had never arrived. There was a further delay of several weeks over the Christmas holiday period and because trading was apparently suspended. Eventually, with the assistance of an investment adviser and after making legal threats, he was able to recover about half his \$8,000 investment.

The Dutch authorities say that the principle of caveat emptor must be applied to "adult investors"—and are not prepared to ban telephone share-pushing which is illegal in the UK. They also have no requirement that salesmen should disclose if their firm has an interest in the shares they are recommending.

However, new regulations were introduced this month, which will take full effect in July, which will require all the fringe investment firms to obtain licences. Licence-holders will have to show they are providing reliable information to investors, and have expertise and financial backing.

They will also have to issue prospectuses of companies whose shares they are selling, unless they are quoted on European Community stock exchanges. The main criticism that has been levelled against the regulations, for example by the Amsterdam Stock Exchange, is that the Ministry of Finance lacks the expertise to monitor the operations of licence-holders effectively. Mr Bonn has already said that First Commerce intends to apply for a licence and other operations may follow suit.

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INVESTORS ALERT

"We think Devoe-Holbein International NV could be one of the most spectacular success stories of this decade. And we continue to strongly recommend the stock as a potentially one of the most rewarding situations around today."

DEC 1983

"Devoe Holbein International: Breakthrough in molecular engineering could solve world's major pollution problems. Write for in-depth study of this unique company."

JULY 1984

"Behind the sell-off was an array of fortuitous motives, none of which were based on any rational, cold look at the company's fundamental situation."

JAN 1985

Excerpts from newsletters published by First Commerce.

FIRST COMMERCE

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Men and Matters

Check points

Here's a chance for all those smart people who thought they could spot Johnson Matthey Bankers' imminent collapse a mile off (and judging by the criticism that rained down on the Bank of England, there must have been quite a few of them).

The Bank has just launched a recruitment drive for banking analysts in its supervision department. The first ads appear elsewhere in the FT today.

The Old Lady is looking for people in their late 20s or early 30s with "a thorough grounding" in a major bank or finance house, or experience of analysing balance sheets for investment purposes. It wants up to eight of them to reinforce its supervision department whose numbers are being raised to about 150.

The salary of at least £18,000 looks on the modest side by current City standards. But just think of the satisfaction of telling a millionaire wheeler-dealer that he had better pull his socks up or else...

Sloane's day

Dr Robert Burchfield, aged 63, editor of the four supplements to the Oxford English Dictionary, had the last word recently after 29 years at his labours. He wrote Zyrion ("A Russian trade and its language"), and laid down his pen after using 60,000 words to bring the English language up-to-date.

He says that finishing is "both a relief and a release from a kind of extraordinarily pleasant prison."

Word-spinners everywhere will be fascinated, and perhaps occasionally appalled, to see some of the words that have made the final supplement,

Prize catch

From rag worms to riches—that original business idea won Peter Cowin, a Newcastle University research student, a £1,000 award yesterday from The Industrial Society.

Cowin, 26, who has already set up a business breeding rag worms and selling them to anglers, fish farms and laboratories took the Society's top prize in its first Student Innovation for Business competition, organised with Tate and Lyle and Touche Ross.

Two London students also received awards: L. C. Marianayagam for a plan to manufacture wheelchairs for Third World countries; and Graham Brown, for a scheme to make bath plugs which change colour as the water temperature rises and falls.

Among the other 130 business brainwaves submitted were plans to produce disposable frying pans for lazy campers, to make taped travelogues for tourists in the Cotswolds, and to open a vegetarian fast food shop in York.

But Cowin's line caught the votes of the judges, who banded to be headed by Prof Sir James Ball, chairman of Legal and General, former head of the London Business School—and a keen angler.

Personal call


The Church of England is indefatigable in its zeal to be the listening church.

While the Queen was in St Paul's cathedral, London, yesterday attending a thanksgiving service for Industry Year, a lone verger, standing on the steps outside, burrowed in his cassock and produced a walkie-talkie.

From a distance it was uncertain whether he was managing security, or crowd control, or pleading for the rain to hold off.

EBEL

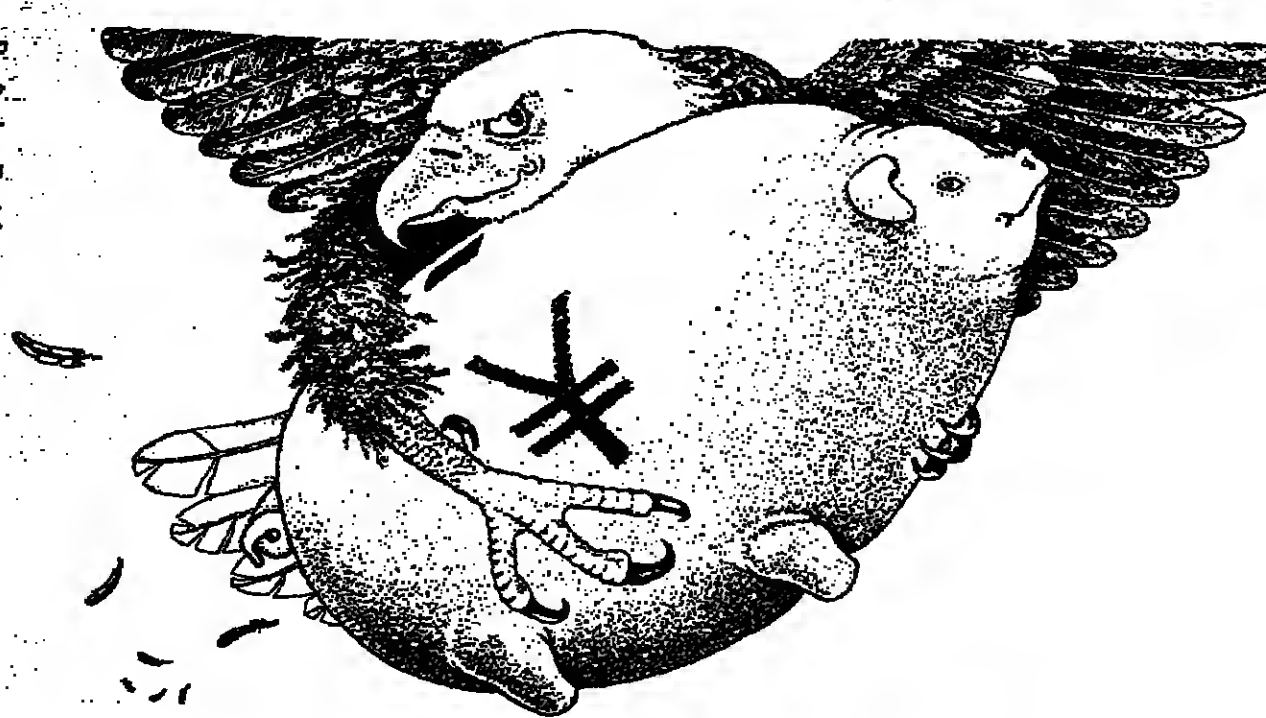
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Countdown to global deregulation

EXCHANGE CONTROLS: Not directly imposed by US in post-war period. UK and Japan abolish controls in 1978 and 1980 respectively. West Germany lifts controls on capital inflows in 1981. Numerous others follow suit.

TAX BARRIERS: US withholding tax on interest payments to non-residents — a key factor in deterring US borrowers to the Eurobond market — scrapped in 1984. Similar taxes abolished that year in West Germany, France and UK. Withholding tax on Eurobond interest scrapped in 1985. UK cuts stamp duty on securities dealing for second time in 1986.

FOREIGN ACCESS: Progressive relaxation of barriers to foreign activity in Eurobond markets in 1984-85. French re-open franc Eurobond market in 1985. Italy permits non-residents to issue lira Eurobonds in same year. UK permits foreigners to gilt-edged and equity markets from 1986, subject to reciprocity in case of Japanese. Tokyo Stock Exchange admits handful of foreign firms. Amsterdam Stock Exchange this year allows in three leading Japanese securities houses in bid to corral European trade in yen-denominated securities. Foreign-owned banks in West Germany permitted to be lead managers of foreign D-mark issues in 1985. Similar move in Dutch guilder issues in Netherlands.

NEW INSTRUMENTS: West Germany and Japan in 1985 abolish fixed commissions on securities dealing in 1975; adopts shelf-registration — a flexible system for capital issues close to international practice — in place of more cumbersome SEC registration procedures. West Germany relaxes formal calendar for foreign issues in 1985. UK abolishes fixed commissions on international securities dealing in 1984, prepares to follow up in domestic market in October 1986 (the Big Bang). Switzerland's stock exchanges revise commission structure and permit negotiated commissions on larger deals this year. The big five Swiss banks reduce commissions on Swiss franc bond issues.

INVESTMENT CONTROLS: In 1974 the US Employee Retirement Income Security Act (ERISA) encourages pension funds to diversify overseas. In 1986 the Japanese ministry of finance considers raising ceiling on foreign bond investment by life insurance groups from 10 per cent to 20-25 per cent of total assets.

RESTRICTIVE DEALING: US abolishes fixed commissions on securities dealing in 1975; adopts shelf-registration — a flexible system for capital issues close to international practice — in place of more cumbersome SEC registration procedures. West Germany relaxes formal calendar for foreign issues in 1985. UK abolishes fixed commissions on international securities dealing in 1984, prepares to follow up in domestic market in October 1986 (the Big Bang). Switzerland's stock exchanges revise commission structure and permit negotiated commissions on larger deals this year. The big five Swiss banks reduce commissions on Swiss franc bond issues.

WE HAVE, it seems, reached high tide in the great spate of liberalising measures that has been transforming the world's capital markets. Indeed, in a year when the British are pre-occupied with the Big Bang on their own stock exchange, scarcely a week goes by without the announcement by one country or another of further deregulation.

It is now taken for granted that capital flows ever more freely in pursuit of the best available return in financial centres across the world, and that these flows bear minimal relation to the increasingly restricted trade in goods. International integration has reached the point, as the Bank of England's latest Quarterly Bulletin remarks, where the distinction between domestic markets and the Euromarkets threatens to become academic.

Such is the speed of change that the politics and economics of deregulation in the capital markets have received less attention than they deserve. Who are the real beneficiaries of this bonfire of controls (see above)? Why has it gone so far, so fast? And is the tide now about to turn?

To practitioners in the markets the answers to the first two questions may seem obvious. Lifting restrictive practices and controls enhances market efficiency, benefiting both users and providers of capital. But for the politician who unleashed the whole process, financial efficiency hardly counts for much.

And as a group of central bankers under Mr Sam Cross of the New York Federal Reserve Bank has just pointed out in a

report on financial innovation, there is no guarantee that increased financial efficiency at the level of the individual firm "will necessarily improve economic welfare overall." So what are the underlying forces at work?

Some are plainly visible. Technology and financial innovation have brought financial centres together and reduced some transaction costs by more than 90 per cent. Ideology has played a part in lifting exchange controls in Mrs Thatcher's Britain, in West Germany and, under Mr Chirac, in France. To the extent that the Reagan Administration pressed for it, the opening up of Japanese capital markets also owed something to the same political phenomenon.

But ideology does not explain why, for example, an earlier socialist government in France reopened the French franc Eurobond market. Or why the abolition of exchange controls is under consideration in socialist Sweden. Nor is it the whole explanation of what has been happening elsewhere.

With exchange controls there appears to be no uniform pattern between countries. Their abolition in Britain was part of the Thatcher government's strategy for handling the inflow of North Sea oil. Capital outflows were expected to restrain the appreciation of sterling and the balance of payments current

account surplus built up — though in practice they were more than counterbalanced by over-tight monetary policy in the recession of the early 1980s.

The Japanese move to lift controls in 1980, on the other hand, was intended to help bring about a yen depreciation after the second oil shock, which had undermined the Japanese current account. Subsequent US pressure in 1983-84 for further liberalisation appears to have been muddle-headed: it could only have encouraged further outflows and thus helped curb the appreciation of the yen just at the moment when an upward yen revaluation was needed to alleviate the renewed trade imbalance with the United States.

The Japanese move did, however, benefit the Americans significantly in another respect. Without access to the huge pool of Japanese savings, the financing of the US budget deficit, now running at over \$300bn, would have been harder to accomplish. And the abolition of US withholding tax in 1984 by the then Treasury Secretary Donald Regan was consciously designed to enhance the appeal of US assets for foreigners. To that extent liberalisation arguably prolonged the most serious current economic cycle. For Japanese savings not only helped tap the expense of the soaring dollar, which reduced

competitiveness in the tradable goods sector of the US economy and let loose a quiverful of protectionist demands that now come not only from the so-called "rustbelt" but from high-technology sectors such as semiconductors.

In contrast, the removal of other forms of capital controls can be rationalised more simply. In an economic cycle where many countries have imposed tight fiscal policies and experi-

enced growth in unemployment, politicians of all persuasions have come to see the service sector as an important source of tax revenue and employment.

More specifically, they have realised that by imposing controls on domestic markets, they have been exporting jobs to less heavily regulated financial centres that play an active part in the increasingly integrated international capital market.

To take the most obvious example, if there is a withholding tax on interest receipts on domestic bonds but not on Eurobonds, international investors will accept a lower

interest coupon on the Eurobond. That lower coupon makes it cheaper for borrowers to raise money in the Eurobond market instead of the domestic market.

At the same time protectionist measures to exclude foreigners from domestic markets have been rendered counterproductive by new technology. Firms like Merrill Lynch, Salomon Brothers and Nomura Securities can do without the services of domestic

stock exchanges if they are exclusive or expensive. Indeed, the British move to deregulate the Stock Exchange was designed partly to stem the loss of international and domestic securities trading to New York, resulting from high transaction costs and a dealing system that was out of tune with international practice.

The purpose of lifting tax barriers, barriers to foreign entry and restrictive practices, then, has been to win back securities business in a country's own domestic currency and to make a mercantilist grab for business denominated in other currencies. The huge deregula-

tory impetus reflects the intensity of competition between different financial centres in this new, nationalistic game.

The special attraction, from the politicians' point of view, is that such competitive deregulation is one of the few forms of radical action that alienates no important political constituency and incurs no significant budgetary cost. The deal struck in Britain between former Trade Secretary Cecil Parkinson and the Stock Exchange, for example, may have involved political embarrassment because it raised constitutional questions about stopping litigation in the Restrictive Practices Court; but it caused little lasting political damage.

The outcome of all this has been to bring about growing convergence between domestic and international markets. Deregulation in the 1980s is legitimising the Euromarkets, which started as a black market in dollars following the introduction of banking and capital controls in the US. Bond yields in the US domestic market and the Eurobond market, for example, came close together again in 1985.

Elsewhere the distinction between domestic sterling and Eurosterling is becoming more academic in some sectors of the market. Last week's retreat by the Chancellor, Mr Nigel Lawson, from his budget decision

Capital loosens its bonds

John Plender on the financial markets' new-found freedom

Nuclear power and risk

From Professor P. Thomemann.
Sir—The catastrophe at Chernobyl has again focused attention on the risks attendant on nuclear energy. Worldwide there have now been ten serious nuclear accidents, including that at Windscale. In the United States no new nuclear plants are being commissioned following the accident at Three Mile Island.

Unlike a fossil fuelled power station a major malfunction of a nuclear reactor threatens the lives of thousands of citizens both within the country and across its borders. Nor can it be claimed that better technology makes all risks of a major accident insignificant. The Presidential Commission that investigated the accident at Three Mile Island concluded that the fundamental cause was "operator error". No amount of advanced technology can compensate for such error and it is only a matter of time before an uncontrollable or active leak occurs in Britain.

Many suggestions have been made to allay public anxiety, because the Government is unlikely to shut down existing nuclear reactors even if it decided to build no more. One idea is to indemnify residents who live within the 25 miles of the reactor against damage to health from a radioactive leak. This is not acceptable since the Government claims "Crown immunity", that is an responsibility for the health of a particular area, and because it is difficult to be sure that, in a specific case, exposure to a radioactive substance was the cause of cancer. All radiation more energetic than ultra violet light is harmful no matter how small the dose. This includes natural radioactivity. The risk of radiation is a matter of degree. With leaking radiation the individual is at the mercy of those over whom he has no control except through the ballot box.

A solution would be to pay all residents "danger money" if they lived within a specified distance of a nuclear reactor. But doing so the Government would be admitting that the reactor was unsafe and this would set a precedent which would be difficult to control. The Government will never admit that one part of the country is more dangerous to live in than another although this is clearly evident.

There are at least four good reasons why present nuclear reactors are more dangerous than fossil fuel power stations. The fuel required for several years' operation is enclosed within the reactor and slowly

Letters to the Editor

"burnt." The "ash" is radioactive and highly dangerous and there is no agreed procedure for getting rid of it. It is now accumulating in stores above ground level. Bombardment of the supporting structure by neutrons gradually weakens it together with the fuel rods and enclosing pipes. In the PWR neutrons and gamma rays decompose the moderating water producing a mixture hydrogen and oxygen in explosive proportions and this mixture must be removed as it is formed. Nuclear power stations would be prime targets for enemy action in a conventional war and no country could afford to take part in such a war if this entailed a risk of air bombardment of its nuclear power stations. Such a war would immediately go nuclear.

There is a solution and that is to site the nuclear reactor underground. In these circumstances a major accident would cause no radioactive contamination of the atmosphere no matter what the cause. Bombardment of the air might put the station out of action but the reactor would be sealed off by an infall of earth and rocks. Spent fuel could be stored in underground concrete vaults which could be opened from time to time for inspection. Electricity generating plant can be installed at the surface and connected to the reactor by the appropriate supplies. At the end of its working life the reactor and its spent fuel could be sealed up thus preventing an environmental eyesore and a perpetual hazard for future generations to curse. What are the objections? Slightly more expensive electricity? I, for one, am prepared to pay that extra cost.

(Prof) Peter Thomemann
Department of Physics
University College of Swansea
Wales.

Matrimonial taxation
From Mr W. Shilling
Sir—The letter from the Child Poverty Action Group on Matrimonial Taxation (May 3) argues for the abolition of the married man's tax allowance as a means of financing an adequate level of child benefit. I cannot understand why these two issues should be linked. The argument for the transferable option in the Govern-

ment Green Paper is mainly a question of fairness. There is no reason why the married couple with a wife not working should receive less tax allowances than a couple where the wife is working.

The allowance which should be dropped is the special one given to the married working woman. This was originally given to encourage married women to work where we had a tight labour situation.

In these days there is no need to give an extra allowance to married women who work—if they wish to work that is fine, but they should be treated in the same way as the married man.

W. J. Stilling
24, Overden Wood Road,
Orpington, Kent.

Industrial copyright

From the Director,
Construction, Federation of Manufacturers of Construction Equipment and Cranes.

Sir—It was with both surprise and concern that I read the views of the Industrial Copyright Reform Association (ICRA), reported in Raymond Snoddy's article (April 22) concerning the recent Government White Paper on Intellectual Property and Innovation.

spares, nor the bona fide manufacturer who faces R and D costs as well as quality control costs which have to be recovered. While a five year absolute right to a design may be sufficient for a manufacturer in a high volume consumer orientated market, such as car spares, many items of capital equipment require a longer time period, perhaps 20 to 25 years, to recover the high cost of research, design and development involved in bringing the original equipment and its spares to the market place.

It was against a background of increasing cut price competition from unauthorised suppliers of spares used in certain sectors of the construction equipment industry that this Federation set up its quality and copyright committee to investigate this problem. From our findings to date, given the across the board service and stocking expected from OEMs, the Federation welcomes certain aspects of the White Paper insofar as they seek to redress the current situation which could lead to the loss of far more jobs among OEMs than seems likely among the members of ICRA, if the White Paper proposals are turned into legislation.

D. R. Barrell,
7-15, Landsdown Rd, Croydon.

A determined city

From the President,
British Ceramic Manufacturers' Federation.

Sir—The description of Stoke-on-Trent as "Smoke-on-Trent" (April 17) is both inaccurate and prejudiced. The majority of readers would have been misled totally by the cheap jibe used as a headline. It is a great shame that the headlines did not reflect the real merits of Stoke-on-Trent and the National Garden Festival which the rest of the article portrayed accurately. Stoke has its industrial legacy like all great industrial pioneering cities and the objective of the National Garden Festival is to provide the stimulus to reclaim and regenerate derelict areas for use by the community and industry of today.

Stoke is rightly proud of its culture and tradition and the National Garden Festival represents the determination of the city, local industry and the community to create a vital and prosperous future.

The Queen is honouring us all by opening the National Garden Festival today and will see what has been done to create a new heart to the centre of a great city.

G. M. Yales,
Federation House,
Station Road,
Stoke-on-Trent.

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FINANCIAL TIMES

Thursday May 8 1986

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Sri Lanka rebels hit heart of Colombo

SRI LANKA'S separatist war erupted in the heart of the capital, Colombo, for the first time in earnest yesterday, complicating efforts by India to reach a peace agreement between the Government and Tamil secessionists.

At least 10 people were killed and more than 100 injured, some seriously, when an explosion tore through the central telegraph office building in the city centre, which also houses the telecommunications and justice ministries.

Police said the explosion, which brought down the ceiling of the two-storey building on people at the telegraph counters, was caused by a bomb planted by Tamil guerrillas fighting for a separate state in the north and east of the island.

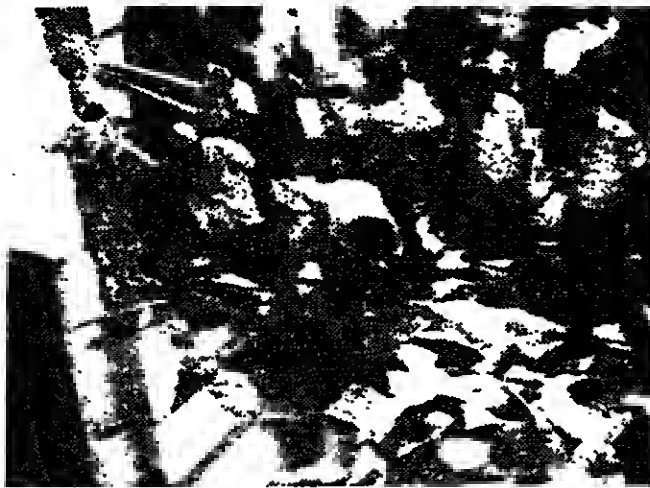
The streets outside were packed with people and vehicles coming in to the city. Some offices closed and workers went home fearing a repetition of the 1983 Colombo clashes between majority Sinhalese and minority Tamils in which more than 400 people died.

Yesterday's bomb followed Saturday's explosion on an Air Lanka airliner as it prepared for takeoff for the Maldives Islands. Fifteen tourists died and nearly 40 were injured.

The explosion and yesterday's incident heighten fears that hard-line Tamil separatists have opened a new "southern front" in their war with the Government in a bid to force maximum concessions in the present round of negotiations, or possibly even to sabotage the talks.

Two special envoys of Mr Rajiv Gandhi, the Indian Prime Minister, held talks last weekend with President Junius Jayewardene in Colombo over the latest Sri Lankan peace proposal in what is widely seen as a

Sri Lanka's separatist war claimed more victims yesterday with a bomb in the centre of Colombo. Alain Cass in London and Mervyn de Silva in Colombo explain growing fears that Tamil hard liners may have opened a new front in their war with the Government in order to frustrate efforts to find a peace agreement.



Rescuers pick through the ruins of Colombo's main telegraph office

final bid by New Delhi to find a solution to the island's deepening conflict.

India is now seriously concerned at the civil war in Sri Lanka and, in particular, over what it describes as the "growing nexus" between Colombo, Pakistan and Israel. Pakistani military assistance to Sri Lanka has grown dramatically in recent months according to the Indian Foreign Office, a development which it views with ill-disguised suspicion.

Mr Gandhi is also coming under increasing pressure from India's 50m Tamils in the state of Tamil Nadu and opposition parties in the Indian Parliament to be "much firmer" with Sri Lanka.

All four Tamil liberation groups have disclaimed responsibility for the bombing at Colombo airport, but the authorities believe it is the work of the most militant and most powerful group, the Liberation Tigers of Tamil Eelam.

The suspicion has been heightened by a three-day war waged by the Tigers against the second-largest and more moderate group, Tamil Eelam Liberation Organisation (Telo) earlier this month.

Neither the timing of the Tiger offensive nor the coincidence of the explosion has been lost on observers in Colombo. Telo, like the other two moderate Tamil groups, favours the Indian mediation effort to

find a political settlement to the ethnic conflict based on devolution to provincial councils in the north and east of the island.

The leader of the Tigers, Mr Velupillai Prabhakaran, says he will settle for nothing less than Eelam, or a separate state.

Another reason advanced by senior Indian officials for the Tiger offensive is to undermine Sri Lankan efforts to receive foreign aid, despite the growing war. Mr Ronnie de Mel, Sri Lanka's able Finance Minister, has convinced Sri Lanka's donors in the past two years that his Government was genuinely keen on restoring stability through a political settlement. In 1984 he

pointed to an all-party conference and, last year, at peace talks in Thimpu, capital of Bhutan.

Mr de Mel is due to make his annual plea in Paris in July and India fears that the present escalation is partly aimed at sabotaging his efforts.

The bombings are bound to make a bad economic situation worse. Overseas tour operators still flying tourists into Sri Lanka's southern resorts or to the Maldives via Colombo have made substantial cancellations in the past few days, according to the Government.

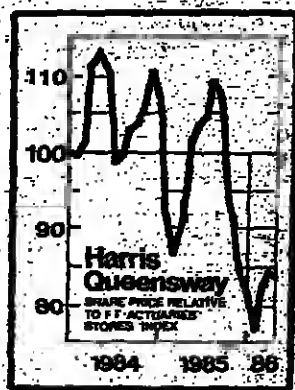
The worsening security situation has also sharpened the conflict of "development versus defence" within the Cabinet. Military spending, Rs3bn (£100m) in 1984 is almost Rs10bn today. Tea, rubber and coconut prices have slumped, undermining Sri Lanka's exports, while income from tourism and migrant workers have declined sharply just when external debt servicing is becoming a worry.

President Jayewardene's Government now appears trapped in a hopeless dilemma. On the one hand it appears unable to defeat the separatists militarily. On the other, it dare not offer them too much for fear of provoking a Sinhalese backlash.

President Jayewardene has rejected Tamil demands for a merger between the northern and eastern provinces. India, however, is urging "functional linkages" on specific subjects such as land, police and education. It remains to be seen whether the Government will accept such a compromise and, if it does, whether India can sell the package to the Tamils.

THE LEX COLUMN

John Brown at the Ritz



spending will continue high for this year at least. With more acquisitions likely as well, the £72m rights issue may not be in the bank for long.

Picking a number for this year's profits is no easier than untangling the last year's. At least the consumer spending background should be better and there will be interest savings and first-time contributions. With a pre-tax ratio of 65 to 65m, the prospective p/e ratio is around 15, on the shares down 28p to 246p yesterday. That does not look attractive given the chances of even more paper being issued.

Harris Queensway

Forecasting profits for Harris Queensway is not a rewarding activity. The business is changing so fast that establishing some comparability between the figures for the 13-month period to the end of January and the previous year is difficult. Certainly the results look good, with pre-tax profits up 35 per cent to £36.9m. But the suspicion must be that on a like-for-like basis Harris made little progress last year.

First, the change in the year end puts two Januaries in the year for some parts of the group, and January is one of the best retailing months. In the 12 months to end January 1986 pre-tax profits were £35m. Then there was a turnaround in the joint ventures with Debenhams, now wholly owned by Harris, from a £2.5m loss in 1984 to an unqualified profit. Acquisitions and share opening during the year, and higher property profits could make up the rest of the profit rise.

If analysts cannot look back in certainty, the future is even more unclear as Harris proceeds on its five-year plan to double in size. Every part of the four-legged group is being refurbished, modernised and found a new image. At the same time, computer systems, which had been lagging the best of the competition, are being brought up-to-date. The reorganisation of the group should lead to cost savings but

Equities

The London equity market has suddenly become a very sober sort of place. Only a few weeks ago the placing of a substantial chunk of a venerable British company would have been seized on as the prelude to a bid; yesterday, when Grove Charity Management reduced its holding in George Wimpey from 50 to 35 per cent, the market knocked the Wimpey share price down 7p to 182p. Someone may or may not have a go at the company but far more immediate concern is the weight of equity being unloaded on the institutions.

On a day which saw Harris Queensway and W. H. Smith mopping up any spare cash on the Stock Exchange floor, the trustees of the Grove Charity were not exactly market heroes.

When brokers and fund managers start complaining about the weight of money, as they are at present, something else is almost certainly the matter. The level of calls on the market was aberrantly low in the first quarter and no-one should have been surprised to see an acceleration over the last month. So it is not plausible to explain the 6 per cent fall of the past five weeks simply by reference to liquidity arguments.

Wall Street is the other obvious scapegoat but yesterday's 1.8 per cent drop in the FT-SE index did seem a slightly exaggerated reaction to a very small overnight fall in New York. As much out of perplexity as anything else, London is falling back on money supply figures and by-elections to explain this mysterious reluctance to buy. It could be, of course, that the market is just overpriced.

UK banks to ballot rules on brokers

By George Graham in London
BRITISH banks are being polled on whether to seek an end to the rules which prohibit them from buying foreign exchange or money brokers.

The Bank of England's "O'Brien" rules were attacked by brokers earlier this year after they had led to the breakdown of merger talks between Morgan Grenfell, the London merchant bank, and Exco International, the broking group. Now, a number of leading banks are joining the campaign against the rules.

The foreign exchange committee of the British Bankers Association (BBA), chaired by Mr Alan Orschil of Standard Chartered, the banking group, is understood to have recommended that the rules are outmoded and should be altered. It is hoped that the BBA's large membership can be canvassed on the proposed change by the end of May.

The O'Brien rules, named after Lord O'Brien, a former Governor of the Bank of England, cover the conditions under which the Bank will recognise a foreign exchange or money broker. They prohibit shareholding links of 10 per cent or more between banks and broker.

The aim is to avoid conflicts of interest, since brokers - who match bargains between banks but may not themselves take positions in currencies - must be seen to act impartially among the banks they deal with. Some clearing banks foreign exchange dealers say they would be wary about dealing through a broker owned by a rival bank.

When the BBA conducted a similar poll recently, its members had come down against a change in the O'Brien rules. This poll reinforced the Bank of England's decision not to allow the Morgan Grenfell/Exco merger to proceed.

The outcry after that decision led the Bank to ask the BBA if it wanted to consult its members again. Even if the response is favourable, the Bank has reserved its own position on whether to change the rules. Some clearing banks are believed to be bitterly opposed to allowing bank/broker links.

Trafalgar House plans to buy John Brown in £80m deal

By Lionel Barber in London

TRAFALGAR HOUSE, the UK shipping, property and construction group, yesterday announced an agreed £80m (£81.23m) bid for John Brown, the loss-making British engineering and construction group.

The proposed deal coincided with Trafalgar's announcement of a 26 per cent rise in pre-tax profits to £72.7m on £360m turnover for the six months ending last March.

Over the past two years, Trafalgar has steadily expanded its international construction and engineering operations despite that it described yesterday as a harsh and competitive climate, partly created by depressed oil prices.

Trafalgar acquired a 29.9 per cent stake in John Brown last year after Brown's successful capital reconstruction devised by Sir John Cockney, John Brown's chairman. It is offering one new share for every 10 John Brown ordinary shares. The same offer applies to the 'A' ordi-

nary shares created under the reconstruction.

On the basis of last night's closing price for Trafalgar, down 3p to 299p, the offer values John Brown - up 5p to 28p - about 30p a share.

Mr Eric Parker, Trafalgar's chief executive, said the deal was designed to help Trafalgar and John Brown pursue major turnkey engineering and construction contracts in the UK and outside Britain. He said John Brown was particularly strong in engineering design and project management.

Mr Allan Gormly, John Brown's chief executive, said the proposed deal was good for employees and shareholders. By joining forces with a larger group, he believed that John Brown could compete more effectively against international competition.

Mr Parker acknowledged yesterday that falling oil prices were affecting the group's construction and engineering activities, particularly

in North Sea projects. He declined to speculate on the future of the Scott Lithgow ship yard on the Clyde in Scotland which is rapidly running out of work.

However, he said that Trafalgar was involved in a claim against British Shipbuilders concerning the purchase of Scott Lithgow and the value placed on the business. The claim amounts to more than £50m and is to be settled by an independent expert at Peat Marwick Mitchell, accountants.

Mr Parker also said that the group was cutting its investment in the oil and gas sector to £40m in the current financial year, a reduction of 50 per cent on the previous year. He stressed, however, that the group's investment was focused on production for the end of the decade and early 1990s.

Trafalgar results and analysis, Page 24

UK ready to offset part of \$7bn Saudi deal

By Finn Barra in Riyadh

BRITAIN is ready to encourage joint-venture investments to help offset a \$7bn Tornado-Hawk-Pilatus aircraft deal with Saudi Arabia, but work remains to be done to establish a framework for the programme.

Mr George Younger, Britain's Minister of Defence, said he discussed investments and arms deals with Prince Sultan Bin Abdulaziz, the Saudi Minister of Defence and Air, during his three-day visit to Riyadh.

Mr Younger said a government-to-government agreement would be drawn up to outline an offset programme. A group of officials from both countries would evaluate various offset proposals and issue a paper on the subject in six months or more. Mr Younger said no monetary values for the offset programme had yet been discussed.

The Saudis are interested in offsetting the huge cost of military expenditure by having foreign companies reinvest part of their money back in the kingdom.

The Saudis prefer high-technology joint ventures, which is not uncommon throughout the Third World, with many offset programmes involving co-manufacturing, or part assembly work of the military item being sold.

The Saudis are implementing their first offset investment programme with a consortium led by Boeing Aircraft. The Boeing consortium is offsetting 35 per cent of its \$1.2bn contract to help install a ground control and communications system for the kingdom's Airborne Warning and Command System (AWACS) aircraft.

The Boeing offset investments were submitted along with the bid for the contract. Work is going ahead on some of the projects, which include airframe avionics, and turbine engine maintenance.

While the Tornado offset programme remains at a formative stage, negotiations on payment for the deal should be complete within two or three months, Mr Younger said. A large portion of the project will be paid through an oil refining and marketing agreement with British Petroleum and Shell.

Discussions held by the ministers also touched on British arm sales. The British would like to see offset investment take place on co-production agreements on other British armaments. Prince Sultan said he was interested in advanced British Challenger tanks, naval weapons and other air weapons or munitions.

The Saudis are currently considering the US congressional defeat of a \$344m US air-to-air and air-to-ship missile deal. They are waiting to see how President Ronald Reagan handles the impasse.

Mr Reagan is expected to push the sale through. If not, Mr Younger said Britain would be willing to do its best to supply the kingdom's weapon needs. But he stressed that British replacements for the American missiles were not requested by the Saudis during the talks.

Share firms raided

Continued from Page 1

in May 1982, in exchange for investors' stakes in a Caribbean-based fund which had been advertised around the world as a unit trust vehicle.

Federal Ventures/Portinax is involved in the development of a liquid coffee concentrate, a salad preservative and cat litter. So far only the salad preservative has recorded significant sales.

According to testimony at a US District Court in January last year, two of the leading figures behind Portinax and its associated compa-

nies are Mr David Winchel, a businessman now living in Miami who was convicted of defrauding the company of which he was president in Canada in 1980, and Mr Barry Martin, who was imprisoned for defrauding US investors in the same year.

Mr Michael Rooney, a former marketing manager of a Portinax subsidiary who gave evidence at the hearing, said on Tuesday: "Winchel acted as though he was the proprietor of the Amsterdam firm, although he never admitted it."

Bank retains money market responsibilities

By David Lascelles in London

RESPONSIBILITY for overseeing the UK wholesale money and foreign exchange markets is to remain with the Bank of England after the enactment of the Financial Services Bill.

This is to be made clear in a schedule which will be attached to the Bill according to Mr Ian Stewart, the Economic Secretary to the Treasury, yesterday.

The clarification was requested by the Bank because the catch-all nature of the Financial Services Bill would have implied that responsibility for these markets had been transferred to the new regulatory structure being created for the Big Bang, unless a special exemption was created.

The markets involved include foreign exchange, the discount market, the bullion market and money market instruments such as certificates of deposit, commercial paper and commercial bills.

Passenger wins case

Continued from Page 1

ish Rail. The unions had unlawfully interfered with that contract by inducing railmen to strike - without an obligatory ballot - and break their contracts with BR.

The judge refused the unions leave to appeal against the decision, saying they must seek permission from the Court of Ap-

peal.

Mr Falconer, a director of the Aurora Group of companies in Sheffield, was also awarded an order for costs against the unions. But he said later that the order would cover only about a quarter of his estimated £7,000 costs. Most of the rest will be covered by a campaign fund

Reagan faces snub

Continued from Page 1

Although an outright congressional rejection of a - Administration arms sale request is unprecedented - the White House has on a number of previous occasions been forced to withdraw arms sale initiatives. Last year, Mr Reagan withdrew a proposed arms sale to Jordan.

The outcome of the missile sale controversy is expected to have an influence on efforts being mounted in Congress by Israel's supporters to overturn the 1981 decision to sell Awacs, high technology surveillance aircraft, to the Saudis. The Awacs have been operating in Saudi Arabia, but with joint Saudi-US crews. The first delivery of the aircraft to Saudi Arabia itself is reportedly scheduled for later this year.

Richard Johns in London adds: The Saudi Government will see the Administration's reaction as yet another test of the sincerity of its professions of friendship towards its Arab "allies" in the region. It is hoping that President Reagan will be prepared to veto congressional objections.

If he fails to do so, it will become a near certainty that Riyadh will not look to the US again for any major arms supplies in the foreseeable future.

The Saudi leadership is still upset over President Reagan's decision last summer not to proceed with the sale of 40 F-15 fighters -

World Weather

Area	Temp	Wind	Cloud	Vis	Area	Temp	Wind	Cloud	Vis
Algeria	20	10	10	10	London	15	10	10	10
Amsterdam	15	10	10	10	Madrid	15	10	10	10
Antwerp	15	10	10	10	Manchester	15	10	10	10
Bombay	28	10	10	10	Paris	15	10	10	10
Buenos Aires	18	10	10	10	Rome	15	10	10	10
Calcutta	28	10	10	10	Stockholm	15	10	10	10
Cairo	28	10	10	10	Tokyo	15	10	10	10
Chicago	15	10	10	10	Washington	15	10	10	10
Copenhagen	15	10	10	10	Zurich	15	10	10	10
Dublin	15	10	10	10					
Hong Kong	28	10	10	10					
London	15	10	10	10					
Lyons	15	10	10	10					
Madrid	15	10	10	10					
Manila	28	10	10	10					
Mumbai	28	10	10	10					
Nairobi	28	10	10	10					
Osaka	15	10	10	10					
Paris	15	10	10	10					
Rangoon	28	10	10	10					
San Francisco	15	10	10	10					
Singapore	28	10	10	10					
Tokyo	15	10	10	10					
Washington	15	10	10	10					
Zurich	15	10	10	10					

ADVERTISEMENT

NEWS REVIEW

BUSINESS Measuring success in China

Ferranti Metrology Systems recently concluded the first sale of a 'Merlin' co-ordinate measuring machine to the People's Republic of China. The order was delivered to a Hux-Dong Optical Company based in Central China who will use the 'Merlin' to inspect the housings of precision optical equipment. The machine operates under direct computer control which allows advanced programs to be written by inspectors.

University place for CAM-X

Ferranti Metrology Systems, Livingston, has received a contract from the University of Strathclyde for a CAM-X CAD/CAM system. The system is to be installed in the recently established CAD Centre under the Faculty of Engineering for post-graduate and part-time education, research and industrial projects.

Briefly...

Ferranti GTE has signed a £20m agreement with Norton Telecommunications for the distribution of the OMNI SA and S15 digital FAX. Norton is to market the product under the name NTX30 with exclusivity up to 143 lines. At Comex 86, 13/16 May Ferranti will be exhibiting its communication capability with a wide range of products and systems.

ROYAL NAVY Shiver my timbers

Hull Vibration and Monitoring Equipment (HVME), developed by Ferranti Computer Systems, Cheshire Heath Division, has been fitted to a Royal Navy surface ship for the first time. The Type 22 frigate HMS Beaver has received the third set delivered to the RN; the previous two sets were installed in submarines. After setting up, the system is to undergo extensive trials. HVME is a shipborne computer-based system which monitors noise and vibration levels throughout a ship. The source of any increase in these levels is detected and isolated before affecting ship's sensor performance or increasing the risk of detection. Signals from accelerometers distributed around the ship are amplified and transmitted through signal switching equipment to a central control console. This houses the operator's control panel, software database and the microprocessor unit which handles data acquisition and signal switch control, using signal processing to provide broadband and narrowband analysis. Audio outputs and voice communications are available at the operator's console as well as at various remote positions and can be used for an immediate assessment of the effectiveness of any remedial action.

AEROSPACE Ferranti keeps Ariane on course

Ferranti Defence Systems, Navigation Systems Department, has received authorisation to proceed with the procurement of long lead time materials for a further 14 sets of inertial measuring equipment for the Ariane satellite launcher. The order, worth nearly £5m, brings the total number of systems ordered to 44 and will maintain the current level of production through to the end of 1990.

The good news is FERRANTI Selling technology

The pace of Ariane launches has accelerated with the 17th flight at the end of March following the previous launch in less than six weeks. A further six launches are planned before the end of the year.



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What City finance chiefs have to exist on

BY MICHAEL DIXON

TO BEGIN this morning, perhaps those of us who work outside City of London financial institutions should uplift our hearts by joining in a chorus of "Buddy, can you spare a dime?"

The reason is that printed alongside are the first results of the Financial Times-Cum-Wyatt group survey of pay among City finance staff. The pioneer contributors of data to the study are 26 organisations owned in an international spread of countries, and they of course receive far more information than I give here. Indeed, part of the survey contract is that nobody in the FT is permitted to see the details given to Wyatt by the organisations taking part.

Anyone wishing to join in or otherwise know more should contact Carl West Meads of Wyatt at 21 Tophill Street, London SW1H 9LL, telephone 01-222 8032, telex 916283. We plan to produce another survey of finance-sector rewards in the Far East within a few weeks, and hope to report later on the state of pay in American banking.

What we have compiled for the City of London so far is data on eight "job families" which are named on the left hand side of the table. While the full report gives figures for several ranks of staff in each of the families, mine are confined to a single rank. It is the manager in the field concerned

Most senior manager below rank of director* of:	Lower quartile £	Median £	Average £	Upper quartile £
Bond trading	60,500	64,552	68,263	70,300
basic salary	74,800	100,400	105,407	138,225
total cash pay	55,000	57,500	62,632	72,222
Equities sales	85,000	100,000	112,960	139,682
basic salary	45,000	50,000	55,212	60,625
total cash pay	54,125	60,000	63,460	73,125
Corporate finance	38,625	48,000	46,809	55,200
basic salary	42,700	55,660	55,929	61,750
total cash pay	37,250	40,000	42,249	45,686
Equities research	48,000	55,000	55,652	59,875
basic salary	35,000	43,218	43,598	50,000
total cash pay	42,749	52,720	53,685	63,000
Foreign exchange	36,000	40,212	43,252	46,500
basic salary	41,475	45,925	49,930	55,500
total cash pay	34,750	40,000	40,554	46,250
Private clients' portfolios	43,825	49,125	49,666	54,875
basic salary				
total cash pay				

* In small concern could be a director, otherwise reporting directly to board member.

who, in organisations of appreciable size, is immediately below director-level.

For each family there are two rows of figures. The upper row gives basic salaries, the lower gives the total rewards received in money, including bonuses and so on as well as salary, but not in-kind perks such as company cars.

Reading across the table, we first come to the lower quartile column. It shows, for each family, the basic salary and the total money rewards of the manager who would be a quarter of

the way up from the bottom of a league table of all the people covered by the survey who were doing the same kind of job at the same rank.

The next column similarly refers to the median manager who comes exactly half way in the league table. Since there are as many people placed above as there are below, the median person can be thought of as "the average manager" and the median salary as "the average manager's salary."

That is of course different from "the average salary among

the managers" which is shown in the third column of figures. It is calculated by adding together the salaries — or total cash rewards — of all the managers in the category, and dividing the result by the number of managers.

So when the average is bigger than the median, for instance, it suggests that the people in the upper half of the league are much better, rather than merely better, rewarded than those in the lower half.

I am spelling such things out not only because several readers

have asked me to be more explicit about medians and the like, but also because of an apparent oddity in the table. It occurs in the "Upper quartile" column which refers to the manager a quarter way down from the top of the league.

If you look at the corporate finance family and read across the total cash pay line, you will see that the average of £93,460 is higher than not just the median but the upper quartile figure.

So the indication is that in corporate finance work the pay at the very top of the league is much, much better than it is lower down. As it happens, it was a corporate finance manager who received the maximum total money rewards discovered by the survey.

Those maximum year's earnings were (here industrial managers should lie back and loosen their collars) £528,188. No doubt the person concerned will wonder how the bond trading manager who earned the second highest total keeps body and soul together on only £264,550.

At this point I hope it will not be thought irresponsible of me to hark back to the Jobs column of one week ago. It included a table drawn from the Reward survey covering staff in some 700 mainly industrial companies scattered across Britain, and carried out at much the same time as the survey reported today. Moreover the

table I printed last Thursday was also confined to managers immediately below the level of director.

If one takes as a standard median total cash pay — which is the criterion on which I have ranked the job families in today's table — the highest among the Reward study's mostly industrial executives was the general manager's £25,000. That represents only just over 60 per cent of the lowest of the lower quartile figures among the eight families of City finance staff.

The overall median basic salary of the Reward managers was £17,500 — barely above a half of the lowest of the lower quartile salaries appearing today.

Ideal deputy

WHAT sort of people make the most successful deputies to the chiefs of organisations?

Anyone answering "servile geniuses" would probably be bang over-zealous. For it seems that most chiefs now prefer deputies more independent than that. But not very much more if I am to believe a description of the ideal deputy drawn up by the head of a big comprehensive school.

Among the essentials, it states: "must be able to disagree with me — but not for the sake of disagreement — and to accept, with equanimity, defeat."

BADENOCH & CLARK

INSTITUTIONAL SALES — TOKYO

£Expat Package

Our client, a leading international securities house, committed to a global expansion of its broking activities, is looking for talented, young institutional salesmen.

We would welcome applications from UK Equity Sales Executives, and experienced Japanese Equity, Convertible Bond or Warrant Salesmen.

A substantial expatriate package is envisaged and these positions might well suit Japanese nationals keen to relocate back to Tokyo. There are also positions available for salesmen in the London office.

Please contact **Stuart Clifford, Christopher Lawless or Jane Wilson.**

CAPITAL MARKETS — LAWYERS

To £40,000

A leading Investment Bank requires able, young City-firm trained Solicitors, with extensive Eurobond documentation experience to pursue a career in Capital Markets.

Initially, work will be primarily New Issue documentation but there is rapid scope for development into either the product group or a marketing division. An excellent remuneration package is offered.

Please contact **John Collins or Judith Forster.**

Financial Recruitment Specialists
16-18 New Bridge St, London EC4V 6AU
Telephone 01-583 0073

STOCKBROKING IN TRURO

Vivian Gray, a major independent stockbroker, has over the last few years developed a network of regional offices in Cheltenham, Helston, Hereford, Ipswich, Salisbury, Tiverton and Truro as well as two offices in London. An opportunity now exists to develop the Truro office.

Vivian Gray manage a substantial private client business and also have a significant presence in the institutional investor marketplace as well as a strong research capability.

The Truro office aims to expand its considerable local presence.

This position could be appropriate either for a relatively young qualified Stockbroker or for an individual already established in London who is considering a move to the provinces.

New electronic technology will enable the office to provide the same range of facilities as are available in London.

Contact:
The Senior Partner
Vivian Gray & Co.
Ling House, 10/13 Dunsford Street
London EC2M 2JX
Telephone: 01-638 2888

VIVIAN GRAY

MEMBERS OF THE STOCK EXCHANGE ESTABLISHED 1871

HILL SAMUEL INVESTMENT MANAGEMENT

Expanding Worldwide Client Base

International Equity and Bond Managers

The success of our international fund management company is generating considerable growth in the number, scale and breadth of the multicurrency portfolios we manage for institutions. This continuing expansion has created excellent career opportunities for two experienced and ambitious investment managers: one to manage equities worldwide and one to manage global bond portfolios.

The successful candidates will join a team which is supported by a well developed and proven investment approach. It allows managers with particular skills and the right adaptability both to contribute significantly to investment policy in individual areas and to manage portfolios across a wide range of markets. It is a team approach but one which lays stress on individual expertise and initiative.

Those who join us will be expected to run prestigious portfolios and should welcome the chance to develop excellent client relationships and to help to expand our business.

Whilst we are not setting formal age limits we are likely to appoint men/women between 25 and 40 with some 5 years or more investment experience. We are offering generous salary packages, including a share of profits, good career prospects and an attractive professional environment.

Those interested should write in the first instance to Colin Barry, quoting reference 733, at Overton Shirley & Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Telephone 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

Opportunities for Credit Officers

The Credit Division of an International Bank with a wide global network requires officers for its City based operation. Applicants should be below the age of 30 and should have gained at least six years Banking experience (preferably Overseas or dealing with International business) of which the last two or more years should have been in the credit function handling credit line proposals and/or engaged in credit analysis. Credit experience at Regional/Head office level would be an added advantage as would a sound knowledge of general banking.

If you think you could meet these requirements and have unrestricted residential status in the U.K. and/or British nationality, please write in absolute confidence enclosing a Curriculum Vitae with full details of your current and previous positions and salary expectation.

Salary and other terms of service may vary according to age and experience but will always be thoroughly competitive and should not be a barrier to the right candidate who, if selected, will have every opportunity for career progression and advancement.

Write: Box A0140, Financial Times
10 Cannon Street, London EC4P 4BY

Jonathan Wren

PERSONNEL MANAGER UK INVESTMENT BANK

Our client, one of the largest of the new investment banks and securities houses, wholly UK owned, seeks to appoint an additional senior personnel manager. The position will be primarily responsible for the total recruitment function and other duties will include job evaluation and career planning. The successful candidate is likely to be aged between 25 and 35, and have personnel experience in the City. Knowledge and experience of recruitment in the capital markets area would be an advantage, as would IPM qualification. The main factor is, however, an intelligent and enthusiastic approach and an aptitude for hard work. Salary will depend on age and experience — up to £25,000 pa being proposed, together with bonus scheme and normal banking benefits, including a car.

For further details, in strict confidence, ring or send your cv to Mark Forrester, Director, Merchant Banking Division, stating any banks by which you would not wish to be considered.

All applications will be treated in strict confidence.

SYDNEY

Jonathan Wren HONG KONG
Recruitment Consultants
170 Bishopsgate, London EC2M 4LX. Tel: 01-623 1266

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD AND WINDSOR

International Sales Person U.K. Equities

City c.£35,000, Bonus Potential

A leading stockbroking firm that has just merged with a major international bank, seeks a sales person to sell UK equities to major US and European institutions.

A member of a small dynamic team, you will have a key role to play in business growth and development. Aged 25-35, you will probably be a business graduate, MBA or accountant with experience of selling UK equities to institutions. A knowledge of US institutions would be helpful. A bright, outgoing, self starter is required with developed powers of communication and the presence to relate at senior levels. A sense of humour and good selling skills are essential. Career prospects are excellent.

R. Flude, Ref: 3301/FT. Male or female candidates should telephone in confidence for a Personal History Form, 061-832 3500, Hoggett Bowers plc, St. John's Court, 78 Gartside Street, MANCHESTER M3 3EL.

CREDITS MANAGER

City bank, U.K. subsidiary of foreign bank, seeks Credit Manager to be responsible for the management of a wide range of lending activities covering Trade finance, Letters of Credit, Bill discounting, U.K. corporate lending, Project loans, Lending secured on Stock Exchange securities, etc. Must be fully experienced in assessing transactions ranging from £50,000 to £1 million, presenting detailed written proposals to a Credit Committee, producing detailed facilities letters and in liaising with customers and the bank's legal advisers. Although working in a small environment this position calls for a mature person with sound banking experience.

Salary, etc, by negotiation. All applications will be treated in the strictest confidence.

Box A0138, Financial Times
10 Cannon Street, London EC4P 4BY

ASSET FINANCE SPECIALISTS

Sheldon and Partners Ltd is a retained adviser to a number of leading international airlines and shipowners. Over the last five years it has been responsible to its clients for the financing of over £1 billion worth of ships and aircraft.

The Company requires graduates (aged 25 to 40) with corporate finance experience gained in international or merchant banking, leasing companies, or legal or accounting firms. The successful candidates must be highly motivated and must want to work from a well-established but small and independent platform for a financial reward related directly to their ability to bring in and/or develop business.

Numeracy, integrity, an appetite for challenging but hard work and a willingness to travel are essential.

Salary, bonuses and other terms are negotiable according to experience. Applicants are invited to send their CVs in confidence to Anne Cowan at Sheldon and Partners Ltd, 65 Buckingham Gate, London SW1E 6AS.

SHELDON & PARTNERS LTD

Banking

Institutional Sales

to £25,000

Demanding position within 'broker/bank'. Responsibilities are primarily concerned with the sale of UK equities to European clients. Fluency in German would be advantageous. It is envisaged that candidates will have a minimum of 2 to 3 years experience in a related area. Ref: JH0025

Account Officer

to £20,000

North American bank has identified the need for an additional account officer in the UK industrial/commercial sector. Responsibilities involve the development of existing client relationships as well as establishing links with potential customers. Excellent career progression offered to candidates with a sound credit and marketing background. Ref: SM0116

Credit Analyst

to £17,500

An interesting opportunity has arisen within a Major European Bank. Primary activity is concerned with the 'top 200' companies. You will be responsible for risk analysis as well as the negotiation and implementation of loan agreements. Demanding position offering good prospects within a fast moving organisation. Ref: JH0115

Analyst

to £15,000

US financial institution seeks self-motivated individual to become involved with all aspects of bank analysis. Although experience in that field would be advantageous our client offers in-house training to candidates with at least 2 years credit experience dealing with the larger corporate clients. Ref: SM0066

Management Personnel

Recruitment Selection & Search

10 Finsbury Square, London EC2A 1AD
Telephone: 01 256 5041 (out of hours 01 809 2783)

American Investment Bank Corporate Finance Executives (2)

London 27-35

Our Client is one of the major U.S. Investment Banks with the International division headquartered in London (under a president and currently four managing directors) and operating through corporate and associate offices worldwide. It is an acknowledged market leader in several major areas.

It seeks two outstanding Corporate Finance Executives aged 27-35 with at least 3 years' experience with a major merchant or investment bank, who have the flair and ambition to contribute to the present small headquarters team and who will specialise in European situations.

He/she should have an MBA or a professional qualification after graduation, and speak a major European language. They will have acquired solid experience in transaction execution in either the international capital markets (including swaps) or in mergers, acquisitions and divestitures. The position offers the opportunity for extensive client contact as well as scope for personal initiative. Long term career opportunities in this rapidly expanding organisation are particularly attractive.

These are positions of major strategic importance to the Company. Remuneration will reflect potential individual contribution and the appointees should be capable of justifying a six figure compensation within the foreseeable future.

Please reply in confidence to Digby Dodd, quoting Ref. 734, at Overton Shirley & Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Tel: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

Chase Manhattan Securities Equity Market Makers

Chase Manhattan Securities, part of the Chase Manhattan Corporation, has one aim in London: to become, quite simply, the best securities house in the market.

We'll achieve that by building a highly motivated team of performers capable of seizing on new opportunities - such as those deregulation will bring.

Having already put together a talented team of Market Makers, we are now looking to strengthen further our capabilities across the equities spectrum in readiness for October 27th.

For the successful candidates, knowledge, ability and experience are key requirements. Drive and motivation go without saying.

With qualities like these, we can promise you the kind of rewards that will more than satisfy your expectations.

To take your interest further, contact
Tim Summers, Personnel Manager,
Chase Manhattan Securities,
Woolgate House, Coleman Street,
London EC2P 2HD.
Or call him on 01-726 5415.



CHASE

PENSION FUND INVESTMENT MANAGEMENT

Salary c£28,000 + Car + Benefits

The Halifax is the world's number one building society with an extensive network of branches and agencies and total employees in excess of 12,500. Alongside the substantial growth of the Society the staff pension fund has also increased in value to a figure in excess of £280m.

The Society is seeking to enhance and strengthen the existing investment management team for the pension fund by the creation of this new post. The main responsibilities will include deputising when necessary for the Pension Fund Manager, day to day supervision of the UK equity portfolio and a key role in the formulation of the overall investment strategy.

Candidates, preferably in their early 30s, should be graduates and/or professionally qualified and a member of the Society of Investment Analysts. In addition applicants should have a minimum of 5 years broad investment experience in a large self-invested pension fund or an institutional pension fund management organisation.

The position is based at the Head Office of the Society and in addition to the salary, benefits will include provision of a car, contributory pension scheme, life assurance, subsidised mortgage facilities, BUPA and a full relocation package (if appropriate). Candidates should apply in confidence with a full CV to: General Manager, Personnel and Services, Halifax Building Society, PO Box 60, Trinity Road, Halifax, West Yorkshire HX1 2RG.

HALIFAX
BUILDING SOCIETY

Corporate Finance Executives

City £18-22,000 + benefits

The unprecedented level of Corporate Finance activity in the City has created the demand for high calibre accountants and lawyers who are seeking a challenging opportunity.

Our clients include Merchant Banks, Investment Banks and Stockbrokers who are active in:

- Mergers and Acquisitions
- USM and Full Listings
- Placings
- Management Buyouts
- Corporate Advisory Work

Candidates will be between 25-28, and will have an excellent academic record as well as strong interpersonal skills and complete commitment to succeed in a commercial environment.

To arrange an initial meeting to discuss these opportunities, please contact Victoria Ward Krickic or Lindsay Sugden ACA on 01-404 5751 (evenings and weekends 01-789 2295), or write to them at 39-41 Parker Street, London WC2B 5LH.



Michael Page City

International Recruitment Consultants - London Brussels New York Sydney
A member of the Addison Page PLC group

Divisional Financial Controller

c£27,000 + Car

With a turnover in excess of £500m, our client is a major manufacturing company and an acknowledged world leader in its specialised field of technology. Strengthening the senior financial team by recruiting a high calibre, experienced manager to head up the finance function in one of its divisions is now essential to meet future needs and objectives.

Reporting to the Divisional Director, with a functional link to the Corporate Finance Director, the job holder will take direct responsibility for financial accounting, management accounting and purchasing activities, working through a staff of 30. Key tasks will be to strengthen financial controls at every level and to help ensure management information systems respond to changing business demands. As a member of the Divisional Management Executive he or she will also be expected to contribute fully to the general development of the business.

Candidates must be qualified accountants, preferably

but not essentially graduates, in the age range 30-40 with broad commercial experience and a record of achievement in a high technology environment. Ideally, they should already be at controllership level in a large company with a record of financial success. A knowledge of continental accounting systems and some competence in foreign languages would be an advantage.

Remuneration is negotiable to the level indicated above and is reviewed annually. Additional large company benefits include an executive car, pension, health insurance and generous relocation assistance, where appropriate, to an attractive area within the North West. Prospects for further career advancement within the Group are excellent.

Applicants should write with a full CV, quoting reference AR093, to the consultants advising on this appointment: March Personnel Services, 33 King Street, Manchester, M2 6AA.

MARCH
PERSONNEL SERVICES

VENTURE CAPITAL

Investment Appraisal and Review Executive

Centreway Development Capital Limited, a leading business expansion scheme and issuing house, provides finance for growing companies. Through the management of our business expansion schemes and prospectus offers, more than £6 million has been invested. Our growth rate will take this figure well above £10 million within the next year. We are now seeking to make a further key appointment to our management team.

Our performance and strength in the market place is based on commercial experience and professional expertise. The demanding role combines the appraisal of numerous investment opportunities, the negotiation of appropriate terms and conditions and the subsequent monitoring of the company's performance in the role of non executive director of portfolio companies.

The person we are looking for will have a degree or professional qualification, is probably employed in the investigation department of a major firm of Chartered Accountants, and ideally has practical commercial experience. He or she will be competent, self motivating and ambitious to grow with an exciting company.

The remuneration package is negotiable around £18,000 plus car, and in addition our executives participate in a profit related bonus scheme.

Write in confidence enclosing your CV to:
Paul Whelan, Investment Appraisal Director



CENTREWAY DEVELOPMENT CAPITAL LIMITED
87 Jernyn Street, London SW1Y 6JD - Telephone: 01-930 1417

EUROPEAN FUND MANAGEMENT

As a result of business expansion, opportunities exist to join an established and rapidly growing team.

FUND MANAGER

This opportunity would be ideal for an individual with some previous experience who wishes to increase his/her responsibilities, both in terms of funds under management and wider marketing and supervisory duties. Investments are managed in all the major European markets on behalf of a wide range of UK and overseas clients, including a large, specialist mutual fund. Knowledge of European languages would be desirable.

ASSISTANT FUND MANAGER

Previous experience of European markets and knowledge of European languages would be desirable, but more important is a clear analytical approach. This opportunity would suit an individual with analytical or management experience in UK investment who now wishes to train in the European marketplace.

Please submit a full c.v., which should include current remuneration to: Iona Carlton, Assistant Director, Personnel Department, County Bank Limited, 11 Old Broad Street, London EC2N 1BB.

COUNTY BANK

A member of the National Westminster Bank Group

Jonathan Wren

MANAGER - INTERNATIONAL PRIVATE BANKING

£Neg

The international private banking area of a major bank is currently involved in the development of specialised financial services for non resident high net worth individuals.

They seek to appoint an individual from a specialised high net worth banking or investment management team in London, taking responsibility for the marketing and development of their personal financial services. Candidates should have previous expertise in managing financial services and investment portfolios on behalf of international clients, and only those applicants with suitable expertise in this area need apply. Contact Richard Meredith.

All applications will be treated in strict confidence.

SYDNEY

Jonathan Wren

HONG KONG

Recruitment Consultants
170 Bishopsgate, London EC2M 4LX. Tel: 01-623 1266

COMMODITY TRADER

A young person, with experience in Trading in Physical Commodities, is sought by an International Trading Company to create the U.K. arm of this Swiss-based group.

Proven management potential as well as the ability to work with a "shirts-sleeves" approach is essential as the successful candidate will be required to build the operation from "scratch". The choice of location will be left to the appointee, although South-East England is preferred and proximity to an International Airport is essential.

Benefits will be negotiable but will include a results-related bonus and the expected fringe benefits associated with a position at this level, as well as a fixed salary.

Applications for initial interviews, which will be conducted in London, should be accompanied by a full career history with details of present earnings and should be addressed to:

Box A0142, Financial Times
10 Cannon Street, London EC4P 4BY



**HARVARD
SECURITIES
PLC**

Licensed Dealer in Securities

Harvard House - 42-44 Dolben Street
London SE1 0UQ

Owing to our continuing expansion, we wish to recruit a further number of

ACCOUNT EXECUTIVES

We are the largest "MARKET MAKERS" in OTC stocks in the UK and would welcome applications from self-motivated, ambitious individuals.

A financial background would be helpful but not essential as full training is provided. Previous sales experience preferred.

Remuneration is no obstacle for the right candidate. For appointment phone 01-928 8691 ask for Miss Bouwmeester.

STOCKBROKING

Private Clients

Leading independent Member Firm wishes to appoint a

PARTNERS' ASSISTANT

This is an important position offering good prospects in an expanding department dealing with the affairs of substantial Private Clients.

Preferred age 23-28 and experience in a similar capacity is desirable. Please write Box A0147, Financial Times 10 Cannon Street, London EC4P 4BY

LAING

Please apply with current detailed c.v. to
J. Farrow, Personnel Director,
John Laing Construction Limited,
Page Street, London NW7 2ER,
or telephone for an application form
on 01-306 5708.

Handwritten signature or mark at the bottom of the page.

KINGSTON BUSINESS SCHOOL

Kingston Business School's programme comprises a full range of business and management courses from BTEC through to MBA. Its staff of over 50 lecturers sustain a substantial research and consultancy activity with industry. The School is located in new accommodation at the Polytechnic Centre on Kingston Hill, in pleasant surroundings. We are seeking to recruit staff to the following posts:

**SCHOOL OF ACCOUNTING AND FINANCE
PRINCIPAL LECTURER/
SENIOR LECTURER/LECTURER II**

Applicants should hold a good degree in Accounting and/or professional qualification. He/she will be expected to participate fully in the development of the School's academic and administrative work on courses ranging from HND to MBA with the BA Accounting and Finance as its focus. Expertise in finance, taxation or the application of information technology to accounting will be particularly welcomed.

**SCHOOL OF INDUSTRIAL RELATIONS
AND PERSONNEL MANAGEMENT
LECTURER II/SENIOR LECTURER
IN PERSONNEL MANAGEMENT**

Applicants should be qualified to higher degree or postgraduate diploma level in a relevant discipline and should be members of IPM. He/she will be expected to teach on the Polytechnic's full and part-time Diplomas in Personnel Management as well as on post-graduate, post-experience and undergraduate courses. Practical experience in the personnel field is essential and the ability to offer Occupational Psychology as a specialism would be particularly valuable.

**SCHOOL OF OPERATIONS MANAGEMENT
AND QUANTITATIVE METHODS
LECTURER II/SENIOR LECTURER**

Applicants should be able to offer teaching, research and/or work experience in the fields of information technology, computing in general, and quantitative analysis. He/she will be expected to contribute to the teaching of our new degree in BUSINESS INFORMATION TECHNOLOGY anticipated to begin in September 1986) and to the full range of teaching undertaken by the School. Candidates with industrial and commercial background are preferred, but experience of computing in non-commercial applications is also valued.

Salaries: Principal Lecturer: £14,691 to £19,297
Lecturer II/Senior Lecturer: £8,754 to £15,723

Further information and application forms from Personnel Office, Kingston Polytechnic, Penryn Road, Kingston Upon Thames, Surrey KT1 2EE - Tel: 01-549 1364 x 505
Closing date for applications: 16th May 1986, but late applications will be considered up to the final short listing stage.

**KINGSTON
POLYTECHNIC**

R.P. Martin

DO YOU KNOW YOUR WAY
AROUND THE INTEREST RATE/
CURRENCY OPTION MARKET

If so, we would like to hear from you.

Write with full curriculum vitae to:

Miss H. Forrest
R. P. Martin p.l.c.
4 Deans Court
London EC4V 5AA

**MANAGING DIRECTOR
LONDON £18,000 P.A.**

This is an excellent opportunity with a major incoming tour operator specialising in holidays to Britain from Scandinavia. The Managing Director will work in London, heading up a team of 20 people in a Company with an annual turnover of over £4 million.

Previous managerial experience in the travel industry is essential and the successful applicant will speak Swedish or Finnish in addition to English. A further knowledge of more than one Scandinavian language and German would be an advantage. Applications from male or female candidates must be received by noon on the 30 May 1986. Please reply in strict confidence to:

Write Box A0143, Financial Times
10 Cannon Street, London EC4P 4BY

Deputy Treasurer

The Rank Organisation Plc is seeking to develop its Group Treasury Department with the appointment of a Deputy Treasurer.

The ideal candidate will currently be working in a corporate treasury department with several years practical experience in treasury/banking operations. In addition, you are likely to be a member of the ACF or working towards this qualification.

As Deputy Treasurer you will be responsible for the day-to-day operations of the Group Treasury department including the management of liquid resources, foreign currency exposure and bank relationships. The post will attract a negotiable salary c. £20,000 plus company car and appropriate fringe benefits. Please forward full career details to:

Miss C.A. Lenehan,
Personnel Manager,
The Rank Organisation Plc,
6 Connaught Place,
London W2 2EZ.

The Rank Organisation Plc.

Jonathan Wren

**JAPANESE SALES
£50,000 - £100,000**

We are currently assisting a UK stockbroker which is expanding its London based Japanese securities sales capability. A definitive commitment has been made in developing this area of its business, demonstrated by the current establishment of a major presence in Tokyo. We are seeking candidates with experience of Japanese equities, convertibles, warrants or straight issues, who would welcome such an opportunity within the structure of a 2 year service contract. In addition to a basic salary in the range indicated, a substantial bonus will be guaranteed together with other benefits, including company car. Contact Roger Steere or Bryan Sales.

**MAJOR ASSET FINANCE
£25,000 - £40,000 plus benefits**

The increasing complexity of UK and international major asset financing has resulted in an urgent requirement for highly competent pricing/structuring specialists for two of our most valued clients. Applicants, aged 28 to 36 years, should be of graduate calibre with a minimum of 2/3 years experience of formulating big ticket transactions, negotiating associated documentation, etc., with the intention and capability of increasing their financial product knowledge and marketing involvement. A specialist knowledge of the aircraft or property finance sectors would prove advantageous. A highly attractive remuneration package is offered in both cases. Contact Jill Backhouse or Peter Haynes.

**EUROBOND SALES/TRADING
£Neg**

We have a number of excellent positions for experienced and junior bond sales and traders. Candidates should have current experience gained over 1/2 years, with a recognised eurobond house, whereas juniors will require a minimum of 6 months experience also gained with a good named institution. Positions available range from major market players to start-up opportunities. Excellent salary/benefits packages are available. Contact Bryan Sales.

**FUTURES/OPTIONS/GILT SALES
Salary Negotiable**

Clients are offering very competitive remuneration packages to attract specialists with high production ability. Experienced ACCOUNT EXECUTIVES, FINANCIAL FUTURES TRADERS, DESK TRADERS (UK, US or Euro futures and financial markets) and GILT SALES applicants are invited to contact Michael Hutchings.

All applications will be treated in strict confidence

SYDNEY

Jonathan Wren

Recruitment Consultants
170 Bishopsgate, London EC2M 4LN. Tel: 01-623 1266



**KITCAT & AITKEN
& CO.**

We specialise in a number of sectors in the UK equity market, such as transport, insurance, stores, holding companies and overseas traders, where we aim to be among the top ranked brokers in terms of analytical ability and market share.

As part of the continuing process of further strengthening our existing areas of expertise and developing related sectors, we are looking for individuals whose application, ability and initiative can make an impact on our future and we are prepared to reward them comprehensively.

We are looking specifically for:-

Electrical Analyst
Someone with substantial experience, particularly of defence related companies to strengthen our position in this area.

Property Analyst
To extend our research coverage into this area. We are looking for an experienced analyst, perhaps a number two in another team wishing to make an independent mark. We will also consider qualified applicants from the main area.

Industrial Holding Company Analyst
To play an important role in our very successful team. Experience with a broker or institution and in the analysis of the relevant companies is preferable.

To join our top ranked shipping and transport team we are looking for a person with articulate institutional salesperson. Experience within the sector is less important.

Institutional Equity Sales
We would like to increase our coverage of institutional clients by recruiting several additional equity salespeople. While we are keen to talk to experienced salespeople with established institutional client lists, we are also prepared to consider younger applicants.

Please contact:
Michael Oliver - Equity Sales
Bruce Jones - Electrical and Holding Cos.
Alan Kelsey - Transport and Property

KITCAT & AITKEN & COMPANY
A Member of the Royal Bank of Canada Group
17th Floor, The Stock Exchange, London EC2N 1HB
Tel: 01-588 6280

**Phillips & Drew
Mouldsdale**

**AUTHORISED
DEALERS**

Phillips & Drew Mouldsdale, a leading firm of jobbers in Gilt-Edged securities, have two vacancies for experienced dealers for their Liverpool office due to further development and expansion.

A competitive salary package, including bonus, will be offered.

Please apply in confidence to:
D. Ibbotson Esq., Phillips & Drew
Mouldsdale, Silkhouse Court,
Titbarn Street, Liverpool L2 2LT



**Midland Bank International
Manager, Financial Planning and Control
circa £20,000 + Banking Benefits - City**

An excellent opportunity has arisen for a dynamic young manager within the International Systems Department of this major International bank. The successful applicant will be responsible for all aspects of financial planning, budgeting and reporting together with systems methodologies and automated project control in a progressive systems environment. The position involves the management of a highly motivated and professional team. Applicants are likely to be in their late 20's or early 30's, educated to a degree level and possessing a relevant professional qualification. Applications are invited from candidates with experience in a finance and/or systems function and the position attracts a competitive salary package with outstanding career potential.

Please write in confidence with full C/V including current salary to
Mr P.L. Hemeon, Manager, International Systems Services, Midland Bank plc,
International Division, St. Magnus House, 3 Lower Thames Street, London EC3.

Handwritten note in Arabic script: "سكرا من الاصل"

**Private Client
Executives**

We require additional personnel to complement our existing staff in managing the investment portfolios on our rapidly expanding private client side.

Applicants should be in their mid-thirties, educated to graduate level, preferably with previous experience in portfolio management or a related financial field.

An attractive remuneration package with banking benefits as well as good prospects will be offered to the right applicants.

Please write with full curriculum vitae to:-
David Clark, Kleinwort Greaveson & Co., 20 Fenchurch Street,
London EC3P 5DB.

Kleinwort Greaveson and Co

NORTHSTAR

**SENIOR FINANCIAL SYSTEMS CONSULTANTS
to £22,000 + Car + Benefits**

THE PRODUCT. NORTHSTAR represents the fruit of a 20 year investment in research and development by Northgate Computer Services. A stockbrokers' contracting, accounting and settlement facility, NORTHSTAR is the product of a 4th generation environment. It provides the city with the power and flexibility necessary to meet the demands not only of existing markets but also the expansion that deregulation will bring.

THE COMPANY. Northgate is a highly successful 4GL software house specialising in PICK based applications on McDonnell Douglas equipment. It is a young, ambitious company whose commitment to growth and profitability is built around specific product development. Aimed at the city, commerce and industry sectors their products are being actively developed, supported and marketed via a growing network of branch offices.

THE CHALLENGE. As part of a strategic growth plan, several key vacancies have arisen within the NORTHSTAR systems team. These are for individuals with an in depth knowledge of the securities industry and a proven track record in Business Analysis. Utilising these skills the successful candidates will need to optimise activity between NORTHSTAR development teams, financial institutions, the Stock Exchange and real-time information networks.

THE PERSON. Essentially a multi-disciplinary role, your most essential attributes will be a sharpness of mind, excellent interpersonal skills and a broad technical background. More specifically, experience in PICK based systems, fourth generation languages and communications would be distinct advantages.

For more details phone Shirley Francis on 01-377 6568. Alternatively, write to her enclosing a comprehensive curriculum vitae to the address below quoting reference 1608.

NORTHGATE

NORTHGATE RECRUITMENT, Northgate House, 2-8 Scrutton Street, London EC2A 4RI - Licence No. SE10469.

**BANKING SUPERVISION
DIVISION - ANALYSTS**

Expansion of the Bank of England's Banking Supervision Division has created a number of vacancies on the Permanent Staff for Analysts with relevant banking experience to work on the supervision of the 600 or so institutions authorised under the Banking Act 1979.

Primary responsibilities will be the analysis of financial statements of authorised institutions and assistance in discussions about all aspects of their business with senior management of the institutions concerned, both at the Bank and at the offices of the institutions. Successful candidates (ideally in their late 20s/30s) would typically have acquired a thorough grounding as trainees with a major bank or finance house, including experience as a securities clerk and/or junior lending officer. Candidates with experience of analysing the balance sheets of financial companies for investment purposes may also be suitable.

Salaries will be negotiable according to age, experience and qualifications but are unlikely to be less than £16,000 (including London Allowance) plus fringe benefits.

Application forms may be obtained by writing to the address below, or by telephoning on 01-601 4518/4618.

Completed applications should be returned by 30th May to:
Mr D. A. Sharp, Personnel Division (HO-5), Bank of England,
Threadneedle Street, London EC2R 8AH.

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BANK OF ENGLAND



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Applicants must have at least two years experience of selling to institutions in the U.K. or overseas. Age and qualifications will have less relevance than drive and the enthusiasm to succeed in a new challenging venture. The remuneration package will reflect the importance of these appointments.

Replies in confidence, with C.V. to: F.J. Gates, W.I. Carr (UK) Limited,
119 Cannon Street, London EC4N 5DD.

WICO

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IV

Insurance Analyst

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The position should appeal to an ambitious individual and offers excellent prospects and remuneration.

Please send detailed curriculum vitae to:-
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London EC3P 3DB.

Kleinwort Greaveson and Co

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For Forex, Capital Markets and Treasury appointments consult a specialist agency
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Wanted

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45, resident in S.E. Asia for subsidiary of MNC, seeks similar position in UK/Europe upon the planned return at year's end. Experience of engineering background followed by wide international business exposure at all levels, obtained in both East and West. Career to date includes successful Co. start ups and involvement of various subsidiaries requiring the usual general management skills, with particular emphasis on marketing and personal management. Appointment should be in Europe in June. Write Bob Atkin, Financial Times, 10, Cannon Street, London EC4P 4BY.

FINANCE/ADMIN

EXPERIENCED SENIOR EXECUTIVE seeks management post London/Surrey/Sussex. Phone: 0737 63064 or write Box AD146, Financial Times 10 Cannon Street, London EC4P 4BY.

SYSTEMS ACCOUNTING IN THE INTERNATIONAL TREASURY AND CAPITAL MARKETS

A major bank offers a Management Consultancy role to a recently qualified Accountant

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JM MANAGEMENT SERVICES LTD

Senior FX Dealer

Our client, a major UK bank, currently wishes to recruit a Senior Foreign Exchange Dealer to join its City based dealing room.

Applicants, aged 26-30, should have several years' relevant experience and a good knowledge of the spot and forward currency markets. This will ideally have been gained in the interbank market, but corporate dealers with a comprehensive market knowledge will also be considered.

Candidates interested in joining an expanding and progressive organisation which offers excellent career prospects, should contact Fiona Collins on 01-404 5751 or write to her, enclosing a comprehensive curriculum vitae, at 39-41 Parker Street, London WC2B 5LH, quoting ref: 3630.



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Several prime International Banks have instructed us to introduce experienced dealers to fill assignments including the following:-
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Dealers with a proven track record, who feel their current contribution is not adequately recognised should call to discuss these positions in complete confidence.

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Bank Recruitment Consultants
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Telephone: 01-628 4501

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Citicorp Scrimgeour Vickers Securities Ltd. is committed to being one of the major primary dealers in the post big bang world. An exciting opportunity arises to join our existing highly professional Bulldogs team and be in at the beginning of this venture. Our trading team is in place and we now wish to add one more salesperson. You will ideally have 3-5 years' experience, although candidates with less experience will be considered depending on the quality of that experience. We will offer a substantial remuneration package. Please write with personal and career details to Michael Patrick, SCV SL Ltd., Regis House, King William Street, London EC4R 9AR.

CITICORP

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Senior Marketing Manager

Hammersmith

£20,000 + INCENTIVE BONUS
CAR AND USUAL BANK BENEFITS

CA Industrial Finance Limited was formed 12 months ago as a subsidiary of Creditanstalt-Bankverein, Austria's largest bank, with a 5 year plan to establish its presence as a provider of medium to large ticket asset based finance to the UK Corporate Market.

The company is already trading profitably and wishes to recruit an asset based lending professional, able to evaluate credit risk, who:

- has the proven track record to introduce known corporate clients of high credit standing;
- has the drive and communicative skills to break through the barriers to the decision makers with corporate clients throughout the UK;
- relishes the opportunity where profit centre results clearly identify each individual's performance.

The successful applicant, armed with these qualities, should be able to introduce sufficient business in our current sector of industrial hire purchase or other asset based lending sectors to generate significant earnings for the company within a short period of time.

The company is young, ambitious and close to the beginning of a major growth period while maintaining conservative lending policies. We believe we have the right combination to succeed in the years to come. If you consider that you can make a major contribution to achieve these aims please write in confidence enclosing a meaningful CV including details of age, career and current earnings to:

Personnel Department
Creditanstalt-Bankverein, 29 Gresham Street, London EC2V 7AH
marked for the attention of:
T. F. O'Brien C.A.
Financial Director
CA Industrial Finance Limited

Hoggett Bowers

Executive Search and Selection Consultants
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Financial Analyst Investment Research

City c.£25,000, Bonus

A major international investment group seeks to develop its UK operation, by identifying new business opportunities where it can take a significant equity share.

A member of a small team, you will have a key role to play in business growth and development. Probably 25-30, you will be an MBA, qualified accountant or an honours graduate with experience of financial analysis/appraisal gained in merchant banks, investment institutions, stockbrokers, fund management or in industry. Independence, imagination and high intellectual skills are essential qualities, as are developed powers of communication and the presence to relate at senior levels. Career prospects are excellent.

R. Flude. Ref:33016/FT. Male or female candidates should telephone in confidence for a Personal History Form, 061-832 3500, Hoggett Bowers plc, St. John's Court, 78 Cartside Street, MANCHESTER M3 3EL.

LEADING JAPANESE BANK seeks to recruit:

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to build and motivate a team handling swaps, arbitrages and other advanced products among various financial markets so as to make a direct contribution to the development of our business.

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to cover marketing, project analysis and the preparation of finance packages. Previous capital market involvement would be an advantage and fluency in one of French, Italian and Spanish is desirable. Applicants must be prepared for occasional travel overseas.

FINANCIAL ANALYST

to cover Continental and UK equities. Should have a minimum of three years' analytical experience in one or more of the main European equity markets.

In all these positions the successful applicants must be able to make an early business contribution with their abilities and experience. If you are keen to enjoy a competitive salary and benefit package together with the opportunity to make your mark on our development and growth, please write in confidence, with full curriculum vitae, to:

The Personnel Manager
THE SUMITOMO TRUST & BANKING CO LTD
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General Manager

£35,000 +
Leisure Industry-London

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Applications will be forwarded to our client unopened unless addressed to the Security Manager listing companies to which they may not be sent.

NUCLEUS advertising



Gilt Edged Sales

Merrill Lynch, one of the leading financial institutions, is expanding its institutional gilt operation and has a number of key positions for professionals to augment the existing sales team.

As a broker with Merrill Lynch, successful candidates will be responsible for providing clients with a sophisticated professional service and advice regarding investments in gilt edged and allied instruments.

Applications are invited from candidates with varying levels of experience in gilts or fixed income markets who can provide a first class service to clients.

Remuneration is negotiable and will reflect the seniority and performance of the individual with excellent prospects within a fast expanding company, intent on being a market leader.

Please write with full career details to Brian Shaw, Merrill Lynch Limited, 27 Finsbury Square, London EC2A 1AQ.



Merrill Lynch

FINANCIAL TIMES Business Information

seeks
EDITOR

For an important international finance and business letter. The successful candidate, who may be a banker, journalist or economist, will have extensive knowledge of financial markets, currencies, and international economics, with particular expertise in US banking and finance. He/she should have widespread contacts at senior level in the international financial community, and be able to formulate and express opinions and make predictions on key economic, financial and business issues.

This is a major opportunity to participate in and contribute to the development of a set of publications servicing the new global markets. The salary will reflect the high value of the post and the individual's own experience.

Write in the first instance to Box AD137
Financial Times, 10 Cannon Street, London EC4P 4BY

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£ SUPERIOR PACKAGE

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LONDON BRANCH REQUIRES

(1) BANK OFFICER

With 10-15 years' experience in general banking background with conversational ability in major Indian languages. Duties — general banking and supervision. Post could be suitable for banker taking early retirement. Salary — negotiable in accordance with age, experience and abilities, minimum £11,000 including London Allowance.

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With minimum 2 years' dealing experience preferably in Rupee Markets. Salary — Negotiable.

Applications with CV to:

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10 Cannon Street, London EC4P 4BY

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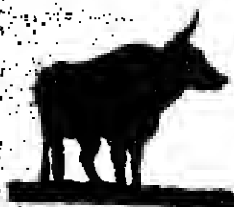
Members of The Stock Exchange announce their 1986 GRADUATE ENTRY PROGRAMME

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حسابات المحاسبين

Portfolio Manager



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Credentials should include extensive knowledge of European economies and stock markets and, ideally, analytical experience involving European companies.

Salary, incentive compensation, and comprehensive benefits package are attractive. For entirely confidential briefing, please contact:

Mr. Norman Harvey
Merrill Lynch Asset Management, Inc.,
Box 9011
Princeton, NJ 08543-9011
Telephone (609) 282-2601

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CONFERENCE MANAGER

Kluwer Publishing Limited—which successfully publishes information services, books, journals and conferences for professional audiences in management, law, tax, insurance and financial services—is expanding its conference, training and exhibition activities in the UK.

We are looking for a manager to handle the "editorial" aspects of our existing programme under our "City Financial" imprint, which concentrates on insurance and financial services—areas in which the Company has a strong reputation for excellence. The successful applicant will be a graduate in his/her mid-20s, articulate, well-organised and able to enjoy a high-pressure environment. Experience of working in or with financial services sectors is important and the ability to judge markets will be critical.

We offer a good salary, a friendly working environment and the prospect of real career growth from an established base. Please telephone Gill Ashbrook on 01-568 6441 for a fuller job description and an application form.

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GERMAN SPEAKING CIRCA £30,000

Our client, the London branch of a major German Bank, wishes to appoint an Assistant Bond Dealer to join a small team trading Deutsche Mark bonds and similar instruments with institutional investors and other financial institutions in the UK and overseas.

The successful candidate will be fluent in written and spoken German and English and have existing contacts with UK institutions and at least two years' experience of the German and Euro Securities Markets.

Please write in confidence with full career details to Selection Thomson Limited, 118 Mount Street, London W1Y 5HD.

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For \$6m+ Project/Syndicate concerned with medical and veterinary research on historic estate includes: private stud, stables, etc. Highest credentials, imagination, innovation. Some understanding of tax laws/shelters, or a marketing/selling or w/o to contact. Fees large and rewarding. Time/hours yours!

Resumé to Box A0121, Financial Times
10 Cannon Street, London EC4A 4BY

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EX. Dealers (to 30) to £25,000
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Dock Credits Manager (30/45) to £20,000
CD and Deposit Dealer (to 30) to £15,000
Credit Analysts to £15,000
Advances Officers (AIBs) to £15,000
Junior Dealer to £11,500

Please phone:
Mike Pope or
Chris Wingfield
01-247 8374
Bank Chambers,
2nd Floor, 214 Bishopsgate

Appointments Wanted

ENERGETIC, ARTICULATE, GENTLEMAN
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Mid 30's Southern based
Wishes to assist in business whose proprietor envisages cutting back on active participation through vic retirement

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01-248 5205

Accountancy Appointments

FINANCE DIRECTOR

For expanding Group

AGE 25-32 BOLTON, LANCs. £20,000 + CAR

A remarkable opportunity has arisen for a commercially oriented Qualified Accountant to join a successful Group (T/O £7m) that is ready to move forward rapidly into its next stage of expansion.

The Group is controlled by a dynamic young team of professionals who have built up the business over a number of years and have made its main subsidiary into a market leader in its field. Although based in Bolton, the Group's activities spread throughout the U.K.

The successful applicant will report directly to the Chairman and be responsible for the total accounting function, advising the Board on all financially related matters. He/she will also be required to appraise and implement a new computerised system, develop the monthly management accounting package, including cash and profit forecasts, budgets etc., and to improve cost control information.

He/she will have a proven track record, be energetic, innovative, have good communication skills and be able to make a significant contribution to the development of the Group. Benefits are excellent and include a Company car, BUPA etc.

Please contact Dudley Harrop or Lawrence Barnett in our Manchester Office, quoting ref: M0088.

Trident House, 31-33 Dale Street, Liverpool L2 2HF. Tel. 051-236 9373

ASB RECRUITMENT LIMITED

Eagle Buildings, 64 Cross Street, Manchester M2 4JQ. Tel. 061-834 0618

The way ahead for finance - a stride forward in your career

There are few areas of business undergoing more drastic change than finance. While the traditional responsibilities of financial executives continue, they are now required to capitalise on the information technology revolution to improve business performance.

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We recruit graduates aged between 26 and 35 who are qualified accountants or have an MBA. You'll have highly impressive experience in the finance function of an industrial or commercial company and your skills will have led you to expect high rewards. We're offering a remuneration package of up to £28,000, plus car, together with the opportunity for accelerated career progression, both within management consultancy or outside it, should you choose to return to industry.

Please send a résumé, including a daytime telephone number and quoting Ref. F01/27 to Allan McNab, Coopers & Lybrand Associates Limited, Plumtree Court, London EC4A 4HT. Opportunities currently exist in our London, Cambridge and Reading offices.

Coopers & Lybrand
For business committed to growth.

Senior Management Auditor

International Transport
c. £35,000

Internal promotion has created this important vacancy in a major international transport company with extensive operations throughout the U.K., Europe and North America and the Pacific basin. Group turnover is in excess of £1 billion.

Reporting to the overseas head office the Senior Management Auditor will be responsible for reviewing with senior management of individual U.K. and European Group companies their management and operational performance including profits, costs and procedures. Based in London, considerable international travel is required. Career opportunities are excellent.

Candidates, probably aged 30 to 35 must be qualified accountants ideally with internal and management auditing experience in an international company able to select their own target areas and to recommend requisite action. Good written and oral French is sought and knowledge of German and/or Italian would be useful.

Please write—in confidence—stating how the requirements are met to Jim Fanger, ref. B.2029.

This appointment is open to men and women.

MSL EXECUTIVE SEARCH LIMITED
International Management Consultants
52 Grosvenor Gardens London SW1W 0AW

Finance Director

Cheshire £30,000

This is an excellent career development opportunity with a £25m UK company, which is the largest subsidiary of a fast-growing and dynamic plc. The British owned £100m Group has achieved an impressive record of profitable growth, and has a well established network of international operations.

The position will appeal to energetic graduate accountants in their mid 30's, who are capable of decisively influencing business strategies at Board level. The successful candidate will enjoy working with colleagues who are determined to expand profitably the consumer goods product range, which already boasts many well known brand leaders. Reporting to the UK Managing Director, responsibility will be for all financial and DP activities across several locations. A major development programme, centred on integrated manufacturing systems, is now being implemented to take the Company into its next stage of growth.

Career progression within the Group is clearly identified. The highly attractive remuneration indicated is supported by a first rate executive benefits package, and relocation expenses where appropriate.

Applicants should send a comprehensive CV covering personal, career and remuneration details quoting reference 900/FT.

Wickland Westcott & Partners

Executive Selection/Management Development
Springfield House, Water Lane, Wilmslow, Cheshire SK9 5QS. Telephone: (0625) 532446.

Internal Audit Manager

£20,000 pa Birmingham

This important appointment offers a diverse and rewarding career opportunity. The management of our Client's Internal Audit Function will involve every aspect of modern financial management and the promotion of maximum efficiency at all levels ensuring that professional standards are maintained in accordance with statements on Internal Audit Practice. This will require an ability to work well with Senior Managers of all disciplines.

The successful applicant (male or female) must possess a professional accountancy qualification and have at least 5 years' post qualification experience—preferably gained in a progressive audit environment. It is, however, important that proficiency in modern audit techniques coupled with well developed management skills, can be demonstrated. Personal attributes must include the ability to achieve constantly a high level of results whilst working under pressure.

Based in central Birmingham the position carries attractive fringe benefits including relocation assistance where appropriate.

Please write with full career history to Noel Alexander, Ref. AB1 975, Austin Knight Advertising UK Limited, 51 Hagley Road, Edgbaston, Birmingham B16 8TE.

Applications are forwarded to the Client concerned, therefore companies in which you are not interested should be listed in a covering letter.

Closing date for receipt of applications 22 May 1986.

Austin Knight Advertising

CHARTERED ACCOUNTANTS WITH BANKING EXPERIENCE

LONDON £ NEGOTIABLE

Ernst & Whinney's extensive and expanding financial services practice is serviced by a banking industry group which blends its specialist accounting and consulting skills into a cohesive client service team.

We wish to add to our already substantial expertise in this growing area and would like to hear from bright and ambitious professionals who can offer strong practical experience of accounting, consulting or auditing in the financial services industry. Financial and career prospects are excellent for individuals aged between 26 and 35 who in addition to strong technical experience have the energy, commitment and communication skills to make their mark quickly in a fascinating and challenging environment.

Please write in confidence with brief career details to Barry Compton.

EW Ernst & Whinney
Accountants, Advisers, Consultants.
Becker House, 1 Lambeth Palace Road, London SE1 7EU. Tel. 01-928 2000.

FINANCIAL CONTROLLER

SOUTH COAST EXCELLENT REWARDS AND CAR

Our client is an innovative, dynamic and highly successful Division of a major group. Employing 250 people with a turnover of £10M, they are leaders in the design, manufacture and marketing of high quality precision engineered finished products and components for international markets. Their aggressive commitment to growth, operational sophistication and market dominance creates a rare senior management opportunity.

Accountable to the Director and General Manager, you will contribute to the planning, direction, control, profitability and commercial development of the Division. With substantial scope, you will creatively manage and develop all Financial and Management Accounting, Purchasing, Planning, Estimating and Sales Administration activities and specify and introduce new computer systems to serve future business needs. Advising and guiding senior management, you will influence pricing, profit and capital investment policies. Active in commercial negotiations you will relate, at all levels in the company, with major clients and suppliers. There is excellent potential for development towards General Management.

Aged between 30 and 40 years, with well developed management and inter-personal skills, you must possess a full, recognised Accounting qualification. You will have sound Financial and Management Accounting experience within a modern, demanding manufacturing business and be seeking to develop your career towards General Management.

An excellent salary and benefits package is negotiable. Where necessary, relocation assistance will be given.

Candidates, male or female, are invited to contact Bob Thorpe on (0784) 590489 or write to him, with full career and salary details, at STOKES THORPE & ASSOCIATES LTD., 1, Fairfield Avenue, Staines, Middlesex TW18 4AB.

STOKES THORPE & ASSOCIATES LIMITED
PERSONNEL AND MANAGEMENT CONSULTANTS

Accountancy Appointments

Group Financial Accountant

c.£27,000 Central London

A substantial UK group with turnover in excess of £1/2 billion is seeking an experienced chartered accountant to head up the Group Financial Accounting function.

This is a key role which has overall responsibility for financial accounting, policies and procedures across the Group. It will embrace statutory accounting, the consolidation of Group results and the accounting function within the holding company. The ability to make a positive contribution to systems development is important.

Applicants should ideally be graduate chartered accountants with the drive, professionalism and ambition to make a strong impact. A minimum of 5 years experience gained at the centre of a major industrial group is essential. Age range 32-40. Salary is negotiable around £27,000 p.a.

Please reply in confidence quoting ref. L 239 to:

Brian H. Mason,
Mason & Nurse Associates,
1 Lancaster Place, Strand,
London WC2E 7EB.
Tel: 01-240 7803.

Mason & Nurse
Selection & Search

FINANCIAL DIRECTOR DESIGNATE

CENTRAL LONDON BUSINESS

c. £25,000 + car

We are a London-based, fast-expanding company in the food and wine industry and we will be seeking a placing on the U.S.M. in the next few months. We wish to strengthen the small management team by recruiting a Finance Director to work closely with our team.

The successful candidate will be a qualified accountant with a keen business mind and commercial acumen, dealing with cash flows, profit forecasts, prospectuses, financial strategy and a knowledge of the acquisition process is essential.

Write with curriculum vitae to:

Sinclair Chartered Accountants
32 Queen Anne Street
London W1M 9LB
For the attention of Mr Berko

JAMES CREAN plc GROUP FINANCE DIRECTOR

As a result of reorganisation within the Group, James Crean plc wishes to appoint a GROUP FINANCE DIRECTOR.

James Crean plc is a holding company with interests in industrial and consumer products in the U.S., the U.K. and Ireland. The present turnover of the Group's subsidiaries and associates is of the order of £135m p.a.

The FINANCE DIRECTOR will be responsible for all elements of the Group Financial Function. That responsibility will include the usual planning, control and accounting responsibilities. In addition, because of the international structure and acquisition policy of the Group there will be considerable focus on corporate finance, foreign exchange, banking and international financing arrangements.

In addition to discharging the primary role he/she will also play a key part in influencing the strategic development of the Group.

The FINANCE DIRECTOR will report to the GROUP MANAGING DIRECTOR. This will be a challenging role. The person appointed will be of high calibre and executive ability and will have experience at senior level of all aspects of the Finance Function.

The remuneration package is negotiable and can be tailored to meet the specific requirements of the individual.

The person appointed will be based at Head Office in Dublin and a full relocation package, where appropriate will be provided.

Enquiries should be addressed to:-

The Managing Director, James Crean plc
2 Wellington Road, Dublin 4, Ireland.

Internal Audit Manager

International Bank
City
£30,000 package

This major International Bank that has benefited from consistent growth and the introduction of proven EDP capabilities now wishes to appoint an Internal Audit Manager. This appointment comes at a particularly exciting time in the Bank's development as it is about to implement an entirely new software system.

Reporting to the Chief Manager, the Internal Audit Manager will be responsible for maintaining and improving the internal controls relating to the computerised facilities. The post holder will have a broad remit to assess all systems and ensure compliance with corporate and local policies.

Candidates, ideally aged late twenties to late thirties, should be qualified accountants, with reasonable experience of advanced EDP techniques. We would expect the successful applicant to have had at least two years experience either running or as number two in an EDP internal audit function, preferably in a banking environment.

Although not essential, knowledge of foreign languages would be an added bonus as would a degree and membership of the Institute of Internal Auditors.

At a personal level, candidates must have well developed communication skills; be able to influence and persuade

others and be prepared to work without close supervision.

The remuneration package will include a high basic salary, inner London allowance, bonus, pension, life assurance, subsidised mortgage and low cost loans.

Please write, in confidence, enclosing a full CV, including current salary details quoting reference MCS/1007 to:

Michael D. Madgwick
Executive Selection Division
Price Waterhouse
Management Consultants
Southwark Towers
32 London Bridge Street
London SE1 9SY

Price Waterhouse

Finance Director

Luton

substantial package

Our client, Connells Estate Agents Plc, the second estate agency business to achieve a full listing, is regarded as a fast moving high quality operation, which is enjoying strong growth. At present its Residential and Commercial Divisions operate from over 50 offices in the South East and East Midlands regions as well as London.

Resulting from the impending retirement of the Finance Director, there is an outstanding opportunity to join this dynamic and expanding organisation.

Responsible to the Chairman, the successful applicant can expect to play a key role in the planned development and expansion of the business, in addition to having overall responsibility for financial planning and control. You will also need to develop an active and constructive relationship with the Chief

Executives of both Divisions.

Unlike to be aged under 35, you will be a graduate chartered accountant with proven experience of multi-branch accounting and computerised management information techniques, preferably on an IBM system. Previous involvement in acquisitions and mergers in a listed company environment is essential.

The remuneration package which is negotiable, will reflect the seniority of the position, to include bonus and share option schemes, pension and life assurance, and an executive car.

Interested applicants should write to Andrew Sales FCCA, Executive Division, enclosing a comprehensive CV, quoting ref. 311 at 39-41 Parker Street, London WC2B 5LH.



Michael Page Partnership

International Recruitment Consultants

London Windsor Bristol Birmingham Manchester Leeds Glasgow Brussels New York Sydney

A member of the Addison Page PLC group

GROUP FINANCIAL CONTROLLER Finance Director Designate

London

£35K plus

Our client is an expanding and acquisitive plc in the business services sector. Its international operations are strategically situated to enable it to carry out truly worldwide activities. The constituent divisions and subsidiary companies, many of which are based in the UK, are financially self-sufficient and profit motivated.

The position is based at the headquarters office and reports to the Finance Director. Initially, the major task will be to take over from the existing Group Controller, who is making a move within the Company. However, this recruitment exercise anticipates the retirement of the Finance Director.

You will be a well qualified chartered accountant and probably in your thirties. Ideally, you will have performed key

accounting roles in both the service and manufacturing sectors and your career will have had an international dimension. The ability to monitor and control cashflow in a number of disparate divisions will combine with a capacity for corporate financial strategy. Your knowledge and experience of public company requirements will have included the opportunity to act as a company secretary. Personal qualities must include adaptability, energy and the human skills required to work in harmony with the senior executives and financial heads of the operating companies.

If you think you meet the above criteria please write to Keith McNeish (quoting reference 548) and enclose a copy of your curriculum vitae.

cc&p

CC & P International Limited
26-28 Bedford Row, London WC1R 4EF

Young Professionals for European HQ Roles

Part of a successful US organisation, our clients are market leaders in the provision of services to heavy industry. Impressive expansion has now created a need for two young professionals who will be based at their European Group Headquarters in London.

Assistant to the Treasurer

Working as part of a small team, you will be concerned with group-level treasury matters in addition to advising the individual companies throughout Europe. In your twenties and either an MBA or a qualified accountant, you will need a high degree of initiative and the ability to liaise effectively with people at various levels and from a number of different disciplines.

Financial Accountant

Reporting to the Divisional Financial Controller, you will be involved in group financial reporting and project work for the operating subsidiaries. A recently qualified accountant, you should have strong communication skills and, ideally, an interest in the application of micro-computers.

Both positions will involve some European travelling so that a knowledge of either French or Spanish would be advantageous, but not essential. In addition, our clients offer a salary package of up to £16,500 plus benefits and excellent prospects for professional and personal development.

Please write, quoting ref: FT/952, enclosing a full CV and a list of companies to whom your application should not be forwarded, to: Teresa Hartshorn, Riley Advertising Limited, Rex Stewart House, 159 Hammersmith Road, London W6 8BS.

ABERDEEN BIRMINGHAM BRISTOL EDINBURGH GLASGOW LIVERPOOL
LONDON MANCHESTER NEWCASTLE NOTTINGHAM

Confidential Reply Service
A member of the Rex Stewart Group

Group Accountant

East Midlands

£22,000 + Car

This client is a highly successful organisation within the communications industry and has experienced dramatic growth doubling its profits in the last two years. The environment is extremely dynamic and fast-moving with the finance function at the forefront of new developments.

The company has embarked upon a strong acquisition programme which will be further enhanced by current and future growth plans encompassing the introduction of new products. The position will report to the top management of this PLC and responsibilities will cover monthly accounts preparation, board reports, financial analysis and acquisition work.

Candidates, aged late 20's, will be chartered accountants who can respond to this challenging environment with a young management team and have the ambition to further progress within the group. Please write enclosing a full curriculum vitae quoting ref 104 to: Philip Cartwright FCCMA, 97 Jermyn Street, London SW1Y 6JE.

Cartwright Hopkins

FINANCIAL SELECTION AND SEARCH

FINANCIAL ACCOUNTANT

Beds.

c. £18,000 + Car

A successful PLC with a turnover of over £30m, wish to recruit an accountant to join their parent company finance team. The group operates in the service sector, at the forefront of technology.

Working in a highly professional and demanding environment, the successful candidate will be involved in the consolidation of results from the U.K. and Overseas subsidiaries; the preparation of statutory accounts; investigating proposed acquisitions, mergers and disposals and advising the senior management of current accounting and taxation developments.

Applicants should be young chartered accountants with two years post qualifications experience gained in a 'top B' firm, who have good communicative and interpersonal skills. It is essential that you are technically up-to-date with regard to current accounting standards and corporation taxation.

Please send your C.V with salary history and day-time telephone number to Neil Gillespie quoting reference no. 1/2341.

EMA Management Personnel Ltd.
Kingsway Chambers, 44-46 Kingsway, London WC2B 6EN
01-242 7773 (24 hour).

FINANCIAL AND MANAGEMENT ACCOUNTANT

This is a senior appointment in a large, well-known charity based at the headquarters in London.

The role is to contribute to the development of accounting systems and to manage a staff of six engaged in the preparation of the accounts. A qualified accountant is required who is looking for a career opportunity in a Christian setting. Initial salary not less than £13,000.

Please send personal details in confidence to: Geoffrey Elms, CHARITY APPOINTMENTS, Victoria House, Southampton Row, London WC1B 4DH.

Charity Appointments

55 كذا في الأصل

سكرا من الامم

Accountancy Appointments

Group Management Accountant

Age 26-34 c.£22,500 + car

National Newspaper Group seeks a new key member for its top financial executive, based in London. The wide-ranging functions will include providing the Finance Director with significant input on financial strategy and planning and regular involvement with general management.

Candidates of either sex will be qualified accountants with at least three years management accounting or profit centre control experience in commerce or industry. High technical competence, application and communication skills are essential. Successful performance is quickly recognised and promotion is not restricted to the finance function.

For full job description write in confidence to W.T. Agar at JC&P Selection Consultants, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements, quoting 2252/FT.

JC&P

John Curtis and Partners

Operations Controller - UK

London

c£25,000 + substantial bonus + Car

Reporting to the Managing Director, the candidate will be responsible for the full financial and administrative functions of this UK Division of a \$175 million multinational in the fashion industry. The candidate will be young and dynamic and contribute to the continued growth of this successful marketing arm of a Dutch based company. Computer-orientated and an appreciation of marketing techniques, coupled with a disciplined above-average organisational ability assures the successful candidate's future with this lively, expanding International organisation.

It is vital that the successful candidate has a broad outlook to develop all disciplines within the company, develop an enthusiastic team spirit and to get totally involved. Applicants should preferably be aged 30-35 with sound commercial experience and qualified as an accountant or as an MBA.

Please write enclosing a full curriculum vitae quoting ref 106 to: Philip Cartwright FCMA, 97 Jermyn Street, London SW1Y 6JE.

Cartwright Hopkins

FINANCIAL SELECTION AND SEARCH

Young Group Internal Auditor

City based with World Travel

This is an exciting appointment for a young, newly qualified Chartered Accountant with sound technical accounting skills to join our Group Internal Audit Department.

This is very much a role for a 'specialist accountant' to undertake a wide range of duties from routine tasks to special assignments for our senior management.

Applicants must possess the flexibility to work effectively in our changing environment and the ability to adapt quickly to different systems from those practiced within a professional firm.

Although London based, there will be the opportunity of worldwide travel to subsidiary companies after the usual settling-in period. This exposure to so many diverse parts of our Group provides interesting career opportunities in the medium term.

An attractive salary package will be negotiable and the benefits package will include a subsidised mortgage, BUPA, non-contributory pension and free life insurance.

Suitably qualified applicants should write enclosing a full curriculum vitae to:

Mr A. J. Hutton-Gore, Personnel Officer, Kleinwort Benson Limited, 20 Fenchurch Street, London EC3P 3DB.

Kleinwort Benson Group

FINANCIAL DIRECTOR MANCHESTER

Up to £40,000 + Car + Benefits

A commercial property development company with projects on hand currently totalling £80 million has grown rapidly and profitably in recent years and plans to seek a full listing within the next two years. As a result the company seeks a commercially minded Financial Director to take responsibility for all financial aspects of the management of the company, including the development of corporate plans. He or she will:

- negotiate the funding of specific property developments;
- control all financial aspects of the planned flotation

To be successful in this role you must have:

- a proven track record as the head of finance of a company of similar standing. Public company experience is desirable but exceptional candidates with other relevant experience will be considered;
- the ability to lead the company's relationships with institutional investors and other sources of finance;
- the energy and drive to achieve results as part of a highly motivated management team dedicated to controlled, profitable growth.

Please send a comprehensive career résumé, including salary history, quoting reference 2662 to John Hampson, Executive Selection Division, at the address below.

Touche Ross

The Business Partners

PO Box 300, Abbey House, 74 Mosley Street, Manchester M60 2AT. Telephone: (061) 228 3456

ACCOUNTANCY APPOINTMENTS appear every Thursday

Group Finance Director

East Midlands c. £35,000 + Benefits

This UK owned public company is a major distributor and manufacturer of industrial products. Planned expansion is designed to ensure that the already impressive record of growth and profitability will continue. Turnover is £70 million, employees 1,100 and locations 45.

The present Finance Director retires later this year and an outstanding candidate, who will report to the Chief Executive, is required to follow him in taking overall control of the finance function. In addition to the normal duties associated with the role, the new Finance Director will have the exciting opportunity of participating in the further

development of the group's expansion plans and of designing the supporting financial strategies. These plans include selective acquisitions as well as organic growth.

Applicants must be qualified accountants, preferably in the age range 35-45, with an excellent track record in financial management. They must be able to demonstrate broad industrial experience, ideally in a large group of companies, at operating and strategic level. Substantial involvement in acquisitions and with external financial advisers is desirable. Important personal qualities include strong interpersonal skills, a desire to innovate and the commercial flair

to contribute to the development of the business.

Salary is negotiable around £35,000 with excellent benefits and career prospects. Relocation assistance is available.

Applicants should write in confidence with career details age and current salary quoting reference MCS/1986 to Geoff Firmin, Executive Selection Division, Price Waterhouse Urwick Management Consultants, Victoria House, 76 Milton Street, Nottingham NG1 3QU

Price Waterhouse Urwick

RANK XEROX

A newly-qualified ACA? £16,000+

Comprising more than 50 marketing, manufacturing and finance units, the Rank Xerox group provide high technology products and systems for offices throughout the Eastern Hemisphere. Following a recent internal promotion, an opportunity has now arisen for a young, newly-qualified Chartered Accountant - ideally from one of the major firms - to join our Group Financial Accounting department.

As part of a small, highly professional team, you will be involved in the preparation of monthly and annual accounts required within both the U.K. and the U.S. In fulfilling your role, you will have the chance to gain the kind of in-depth understanding of our business which will enable you to progress within the company in a relatively short period of time.

Currently based in Central London, we will be moving, towards the end of this year, to new, exceptionally well-equipped offices in Marlow and we are willing to provide relocation assistance as necessary. In addition, we can offer an attractive salary and a wide-ranging package of benefits.

Please write, enclosing full career details, to: Christine Hand, Senior Personnel Officer, Rank Xerox Limited, 338 Euston Road, London NW1 3BH. Tel: 01-380 8000.

city of cardiff



DINAS CAERDYDD

Managing Director Designate

Cardiff Bus

c. £28,000 p.a.

Under the Transport Act 1985, Cardiff City Council has created a new public transport company to operate under the provisions of the Companies Act on a full commercial basis, taking over from the current Council operated bus undertaking on 1st October, 1986.

A Managing Director with a strong financial background is sought to provide policy direction to the Board and take full day-to-day responsibility for the Company and its 650 employees. The successful candidate will have at least five years' experience at senior Director level, preferably held accountancy qualifications and be able to demonstrate achievement of optimum commercial performance through imaginative use and deployment of financial and other resources. Drive, commitment, determination and a wide range of business skills and experience are the key factors.

The salary is in the region of £28,000 p.a. The appointment is initially on a fixed-term contract basis, the precise duration being subject to agreement. An attractive range of fringe benefits is available. Application forms and further details are available from the City Personnel Officer, City Hall, Cardiff CF1 3ND, Tel: (0222) 822290 and should be returned not later than Thursday, 29th May, 1986.

Cardiff City Council is an Equal Opportunity Employer and applications are welcomed from suitably qualified and/or experienced people regardless of sex, marital status, race, religion, colour or disability.

£22,500 + Car + Benefits Music Industry

Financial Controller

Our client, a well established manager of artists in the popular music world is seeking a commercially aware professional accountant to assume responsibility for all aspects of its financial management and contribute towards its development.

The Financial Controller will be expected to supervise the activities of the accounting department which includes cash and credit control, management and financial accounting and regular accounting to artists. In addition, the Financial Controller will assist in the introduction of computerised systems and be required to advise on new business projects as they arise. The appointee will be an integral member of the company's management team and will report in the first instance to the Managing Director.

Candidates for the position, ideally in the age range 27-35, will possess a professional accounting qualification and have practical experience of financial management, ideally within the entertainment industry. Experience of working with computerised systems is desirable. The personal qualities required of candidates are the ability to communicate authoritatively on financial matters and the drive and the enthusiasm to work hard in an exciting but demanding environment.

Apart from an initial basic salary of circa £22,500 and company car, benefits include private health insurance and 4 weeks annual leave. Success in the role will be recognised with appropriate financial rewards.

Applications, giving full personal and career details should be submitted quoting reference SH0227 to: Dr Geoffrey M. Stoy, FCA, Stoy Hayward Associates, Management Consultants, Executive Recruitment Division, 8 Baker Street, London W1M 1DA.

SH Stoy Hayward Associates MANAGEMENT CONSULTANTS

ACCOUNTANT

As a result of internal promotion, Stratus Computer Limited, the rapidly growing subsidiary of a US computer company, requires a Qualified/Finalist Accountant to take wide ranging responsibilities as a key member of the accounting and administration team. The position reports to the UK Financial Controller and is based in the City.

The successful candidate will have broad commercial, accounting and pc experience, and will be able to demonstrate the application and ability required to make a significant contribution to the Company's growth. A "shirt sleeves approach" is an essential requirement.

AGE RANGE 25-35 SALARY UP TO £15,000 + AN EXCELLENT BENEFITS PACKAGE

Applications and comprehensive cv's to:

Stratus

The Personnel Officer, Stratus Computer Limited, 20 Cannon St, London EC4M 6XD

IF YOU'RE NOT ON THE REGISTER HOW WILL WE RECOGNISE YOU?

Hall-Mark is the only appointments register which specialises solely in Accountants and Financial Managers. We have a constant demand from our clients throughout the U.K. - some of them the best known names in the country - for young, talented, ambitious accountants. But we can't introduce you to these opportunities if we don't know who you are.

The answer is simple. All you have to do is complete and return the coupon. We'll send you a detailed, confidential form to complete and then include

you on our register. It will give you the chance of career opportunities you will otherwise miss. What could be easier? Hall-Mark Appointments Register, London House, 271-273 King Street, London W6 9LZ. Tel: 01-741 8011/ 01-748 3444 (24 hrs). Prestel 013903873.

HALL-MARK The Appointments Register

To: Michael Toole, c/o. Hall-Mark Appointments Register, 271-273 King Street, London W6 9LZ. (See stamp regularly)

NAME: _____ SURNAME: _____ ADDRESS: _____ POSTCODE: _____

Accountancy Appointments

MANAGEMENT CONSULTANCY

A chance to break out of the mould.

You are a qualified business professional. You are established in your chosen career, be it accountancy, project management, economics or business strategy.

You are intelligent and resourceful. But disillusioned with the knowledge that the nature of the work you will be handling today will be pretty much the same tomorrow, next year and probably for the rest of your commercial life. That worries you.

It concerns you because you are fully aware that you need a wider vehicle for your inquiring mind, a greater stimulus for your developing intellect and a more varied workload to broaden your commercial or industrial experience.

Would you welcome the opportunity to break out of your mould? Would you risk facing challenge, direct responsibility and complex problem solving? Would you enjoy business development; going in where some angels fear to tread?

If you are still saying yes, you are clearly someone who should investigate the potential of management consultancy.

Our client, who has retained us to advise on these appointments, is one of the fastest growing of the big firms. London, Birmingham and Glasgow based, they have character, dynamism and an open, informal structure where ideas flourish. In your first year you can expect to earn up to £35,000 plus a car; and, of course, you'll never have to do the same thing twice!

If you are aged under 35, have a good first degree and an appropriate professional qualification please write (in the strictest confidence) to arrange an informal discussion to:

John L. Thompson, Thompson Associates Ltd., 232 Portland Road, London SE25 4SL, quoting reference 1092.

Financial Director Designate

Investment Banking

The rapid growth of this young and highly regarded investment bank, both in the UK and internationally, has led to the creation of this new position. The bank enjoys a leading reputation as an international underwriter and is well placed to respond to the changes taking place in the securities industry and in international capital markets.

Your role initially will be to take over responsibility for the UK finance function, with particular emphasis on developing management information and reporting procedures. As the business grows you will become increasingly involved on the international side. You will work closely with the Director of Finance and Operations and an early directorship is envisaged.

Probably in your late 30s, you should be a qualified accountant now working at or near board level in an international company. Ideally you will have a background in the banking or financial services sector. The remuneration package will be highly competitive and the career prospects are excellent.

Please write in confidence to John Cameron, quoting ref CF545, at 11 Gough Square, London EC4A 3DE (telephone 01-583 3911).

Chetwynd Streets

Management Selection Limited

CHIEF ACCOUNTANT TO £18000+ BENEFITS

Watson Watt Albany Merchant Bankers, change and expansion - direct marketing agency based in the West End of London, wish to appoint a Chief Accountant to lead its busy finance department and to work closely with other departmental managers.

Reporting to the Financial Controller, you will assume full responsibility for the day-to-day accounting operations, including staff supervision of nine personnel. You will also be responsible for the preparation of management and financial accounts and will be involved in development of the accounting systems throughout the Group.

The successful candidate will be a qualified accountant (ICMA/ACCA/ACA) who has had previous commercial experience in a job requiring a full understanding of computerised systems is essential.

An excellent package is offered including car, pension scheme and private health insurance.

Applicants are invited to send a full curriculum vitae to:

J. A. W. Martin FCA

Moores & Rowland

115 New London Road,

Chelmsford, Essex. CM2 0QT

ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY

Chief Financial Officer

Central London to £25,000 + car

This new appointment is within a major international group. Reporting to the Managing Director and liaising with the highest levels of management, you will make a major contribution to its rapidly expanding business by:

- developing and implementing computerised management information systems;
- providing full financial support in the formulation of business policies;
- advising on acquisitions;
- performing capital evaluations.

To qualify, you should:

- be a confident, innovative outgoing qualified accountant aged 26-35;
- have excellent experience of developing computer-based systems;
- possess a broad business management perspective.

Package includes:

- remuneration to £25,000 plus car and benefits;
- excellent career prospects.

Please send brief cv, in confidence, to Fiona McMillan, Accountancy Recruitment Group, Ref: SSA/6530/FT.



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Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-226 8060. Telex: 27874

HEAD OF AUDIT/IN-HOUSE CONSULTANCY BRITISH WATERWAYS BOARD

Hertfordshire ACA's 28-40

to £25,000

+ car scheme and benefits

Britain's canal and waterways system is entering a period of revitalisation through a commercially based expansion of its leisure, tourism and property development activities. The Audit Department is expected to make a significant contribution to this. It has recently been restructured, placing considerable emphasis on consultancy to improve the efficiency and profitability of the entire range of the organisation's activities.

Key aspects of the role are independence, regular reporting direct to the Board, significant initiative in the selection of investigation projects and involvement in one-off consultancy exercises as well as the ongoing review of financial and non-financial operations and computerised systems.

Candidates (male or female) should be at or approaching Audit Manager level in public practice, commerce or industry.

If you would like an initial meeting to discuss this position, please contact George Ozmond B.A. (Oxon) or Stephen Hackett B.A. (Oxon) on 01-836 9501 or write with your C.V. to Douglas Llambras Associates at our London address quoting reference No. 6725.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
163a Bath Street, Glasgow G2 4SQ. Tel: 041-228 3101
Indie Buildings, Water Street, Liverpool L2 0RA. Tel: 051-227 1412
113/115 George Street, Edinburgh EH2 4JN. Tel: 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE. Tel: 061-236 1533

DOUGLAS LLAMBRAS
Douglas Llambras Associates Limited
Accountancy & Management
Recruitment Consultants



CHIEF ACCOUNTANT

Central London

£20K + Negotiable

Our client, a successful leader in the U.K. Entertainment Industry, has shown significant organic growth over the last 3 years - turnover is expected to be in excess of £35 million in the current trading period. This has resulted in the need for strengthening the Accounts function by the creation of this new position.

Reporting to the Financial Director you will be responsible for production of statutory and management accounts, systems improvement support, day to day control of 12 accounting staff, and you will also contribute to strategic decision making.

Your profile: either a qualified Chartered or Certified Accountant, aged late 20's - early 30's, with at least 5 years post-qualification experience (part of which will have been gained in a computerised environment).

Please telephone in the first instance ALASTAIR PRIMROSE, Managing Consultant, on 01 580 5522 (Daytime) or 01 624 2616 (Evenings/Weekends) or send a full career resumé (with daytime/home telephone numbers) to address shown below.

COMPATIBLE RECRUITMENT LTD.

2nd Floor, 77/79 Wells Street, London, W1P 3RE

FINANCE DIRECTOR (Designate)

Humberside/Lincolnshire

to £20,000 + car etc.

Our client is a successful and well-known autonomous trading division of a substantial UK group. The division is a market leader in providing genetically improved pig breeding stock for the home and export markets.

The Finance Director will be a key member of the senior management team and will be expected to provide accurate management and financial accounting information to pre-established deadlines. Additional tasks will include budgetary control, cash flow forecasting and ensuring that the administrative function is effectively managed. The position offers scope for commercial input and the successful candidate should possess excellent communication skills combined with an ability to get to grips with a complex and demanding business.

Applicants should be qualified accountants aged 26-40 and be prepared to accept a long term challenge in an environment where commitment and hard work will not go unnoticed. Relocation expenses will be met in appropriate circumstances.

Please apply in the first instance to Brian Daniels (Managing Director), Daniels Bates Partnership Ltd., Leeds Office, Tel: (0532) 461671.

Daniels Bates Partnership
PROFESSIONAL RECRUITMENT

Daniels Bates Partnership Ltd., Josephs Walk, Hanover Walk, Park Lane, Leeds LS3 1AB. Tel: (0532) 461671 (9 lines 24 hours). Also at Fountain Precinct, Leopold Street Wing, Sheffield S1 9QZ. Tel: (0743) 754923.

Young Accountant

career opportunity

Central London

£17-20,000 + benefits

Our client, one of the most prestigious financial services groups, seeks a recently qualified accountant aged mid 20s.

The essence of this varied and challenging role is to control a small team preparing financial and management information for part of the group's largest business area. This will provide an excellent introduction to the financial sector and the opportunity to demonstrate both accounting and organisational skills.

Either straight from the profession or with a commercial background, applicants should have the potential and determination to progress rapidly within this group whose scale and diversity of businesses offer wide ranging career prospects.

Salary is negotiable and benefits include a non-contributory pension and subsidised mortgage.

Contact David Tod BSc FCA on 01-405 3499 quoting ref D/429/HF.

Lloyd Management

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

City-based international assistance company seeks

FRENCH SPEAKING ACCOUNTANT

to handle ALL aspects of accounting function, including DOT returns and company accounts. Salary circa £15,000 and contributory company pension scheme. Please write enclosing curriculum vitae to:

Mr R. Roelle
GESA ASSISTANCE
8-12 New Bridge Street, London EC4V 6AL

Truman Miles

Financial Analyst

£16,500 + Car

Probability analyses of markets and products, business & strategy plans, all leading to prospects of a controlship in Europe with a leading multinational group. Ref: 251. Call or write, in confidence 01-249 20022 after 9pm 01-558 0085. 10/11 Sheppe Court, Old Bailey, London EC4M 7EL.

Norfin is the fast-expanding Seafood Division of a large Scandinavian food, packaging and pharmaceutical company with its UK headquarters located in N.W. London and it is for our operations here that we are currently seeking a Treasurer. The Treasurer will be responsible for all financial matters pertaining to the Division's activities and will report directly to the Divisional President. Actual duties will involve the Treasurer in currency dealings through the use of a multi-currency netting system, together with responsibility for short and medium term cash management.



TREASURER INTERNATIONAL SEAFOOD COMPANY

The ideal candidate will require a good knowledge of financial forecasting, budgeting and cash flow preparation together with a thorough knowledge of currency matters. As all the

systems will be micro-based, the ability to use a computer in currency dealings and planning is essential. Some familiarity with bookkeeping and a good knowledge of cash management techniques would also be desirable.

We offer a salary of £15,000-£20,000 plus a company car, bonus scheme, portable pension and private health insurance.

Please send a detailed CV to: Norfin International, The Barn House, 38 Meadow Way, Eastcote, Ruislip, Middx. HA4 8TF.

FINANCIAL ACCOUNTANT

BNR Limited is the UK based telecommunications research and development laboratory owned by Northern Telecom and Bell Canada. We are the largest privately-owned R&D organisation in Canada.

Our latest laboratory, in Maidenhead, is currently designing and developing the world's most advanced digital telecommunications systems for Northern Telecom and other clients in the UK, Europe, the Near East, Africa and the Caribbean.

As a result of growth within our Finance and Control Department, we now need to recruit a Financial Accountant who will be a key member of our finance team and responsible for maintaining all of the laboratory's accounting records. This includes preparing monthly, quarterly and annual financial statements for corporate, statutory and management reporting and co-ordinating compliance with existing corporate and local policies and procedures. The position requires a high degree of interaction with North American finance staff and managers within the Maidenhead facility.

Candidates, preferably employed in a 'Hi-Tech' environment should be qualified (ACCA or ACA), aged between 26 and 30 with at least five years commercial experience.

Salaries are very competitive and we offer a competition plan which rewards the individual's creative and innovative contribution. An extensive company-paid benefits package and employee savings plan are also provided.

If you are looking for an opportunity to develop your career within an expanding organisation at the very frontiers of telecommunications research, please apply with a CV to: Ian Irving, Human Resources, BNR Limited, St. Mary's House, 17 St. Mary's Walk, Maidenhead, Berkshire SL6 6GX. Or call him on Freephone 3277.

BNR
Your future in telecoms R&D

ACCOUNTANCY APPOINTMENTS
Rate £41 per single column centimetre

Handwritten signature or stamp at the bottom of the page.

حسابات المحاسبين

Accountancy Appointments

Key cash and credit control role Treasury and Revenue Manager

for a £multi million manufacturing company
c£21k & car : Yorkshire

Part of a major international Group this £multi million company is an established market leader in its field and has just embarked upon a significant investment and new product development programme which will assure future prosperity.

This new, high profile post will give you every opportunity to make a major impact on profit performance. Reporting to the Financial Director and leading a team of about 25 your challenge is to vigorously manage treasury and credit control functions... and set both financial and system development objectives to progressively enhance your contribution to profit.

You will be a qualified accountant probably in your late 20s or 30s with significant financial management experience in companies with sales in excess of £20m... and have a proven record of getting things done. Some experience of either the treasury or credit control function is essential.

Salary is for discussion c£21k. Quality car and usual big company benefits include costs of relocation where appropriate.

Please write - in confidence - with full career details to John Hodgson, ref. B.18343.

The appointment is open to men and women.

HAY-MSL Selection and Advertising Limited, Sovereign House, 12-16 Queen Street, Manchester M2 5HS.

Offices in Europe, the Americas, Australia and Asia Pacific.

HAY-MSL

FINANCIAL SERVICES

Cambridge Corporate Consultants Limited

Personnel
Division

Finance Director

c.£25K package + quality car

Cambridge

Our client is a well established Cambridge company with an excellent reputation for product quality and commercial innovation in a range of specialist construction markets. Planned growth now requires the creation of this new post of Finance Director for the Group. We seek a high quality, qualified Accountant probably between 35 and 45 years of age to head this vital function and department.

The successful candidate is likely to be an efficient all-rounder, with relevant business experience, high levels of administrative and communicative skills, experience of the construction industry, preferably with some local knowledge, and some measure of skill in the management of the computerisation of financial and management information systems. The remuneration package will reflect the senior and significant nature of this appointment.

For confidential discussion please contact Dr. Ray Adams on 0223-313791 (day or evenings) or write to him at Cambridge Corporate Consultants Limited, 7 Green Street, Cambridge CB2 3JU quoting reference RA/A/05-2.

Group Financial Accountant

West of London to £20,000 + car

Part of a substantial worldwide group, this UK company has a turnover around £150m and is a major supplier of materials to the construction industry. Its activities are spread throughout Britain on some 200 sites, and the accounting organisation is centred at headquarters in the west of London. The person appointed will report to the Chief Accountant and manage the Group Financial Accounting Department comprising some 20 staff. The wide responsibilities will include the preparation of half-yearly accounts for the

parent group and UK statutory accounts involving the consolidation of some 15 subsidiary companies. Candidates, probably in their 30s, must have a sound professional accounting background followed by a successful period in industry. Salary is negotiable up to £20,000 plus car and appropriate benefits.

PA

Please send brief cv, in confidence, to Peter Greenaway, Ref: AAS1/8639/FT.

PA Personnel Services

Executive Search - Selection - Psychology - Remuneration & Personal Consultancy

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 0000 Telex: 27674

Finance Director

{ c £35,000 + car

Midlands }

This is a key appointment with a £130 million turnover subsidiary of a major British Group. The company is embarking on a period of major change and the role of Finance Director is seen as crucial to the future development of the business.

Reporting to the Managing Director, you will assume responsibility for the complete finance and data processing functions and at an operational level will be actively involved in improving profit performance, optimising the use of financial resources, developing financial and management information systems,

foreign exchange dealing and taxation. At a corporate level, you will be expected to contribute to the development and implementation of strategic planning and financial policy.

The successful candidate, a qualified accountant, is likely to be aged 35-45, and should have operated at Finance Director level in a manufacturing company of some substance, ideally in an international business environment. Personal drive and commitment together with well developed interpersonal skills are essential qualities. Remuneration is negotiable as indicated

and an excellent benefits package includes a fully expensed company car and assistance with relocation to this attractive part of the Midlands.

Candidates should apply in writing enclosing full CV, indicating current salary and quoting reference MS/8630 to Philip Gardiner, Executive Selection Division Price Waterhouse Management Consultants Livery House 169 Edmund Street Birmingham B13 2JB

Price Waterhouse

MANAGEMENT ACCOUNTANT MAJOR PROPERTY PLC

London c£20,000

This complete management accounting responsibility for a number of group companies undertaking major property developments. Work closely with Development Directors and the Finance Director in evaluation, controlling and completing budget multi million £ development schemes.

The Company: One of the UK's most prominent and highly accented property development companies. The current investment and development programme amounts to many hundreds of millions of pounds and the corporate plan involves a period of further substantive growth. Financial planning, funding and accounting matters are among the best respected in the industry.

Your Challenge: To take full accounting responsibility for a number of group companies with a very substantial portfolio of existing and new developments. Work closely with and act as the financial adviser to Development Directors. Play a key role in assessing a scheme's viability, potential profitability, cash flow movement and control the budget through to final account stage. Provide all financial, accounting facilities. Liaise with the Group Finance Director on financial and corporate issues.

Our Ideal Candidate: A well qualified accountant, in your 20's. Excellent financial and management accounting skills. Ideally a sound knowledge of Property company accounting. Paramount is a good level of intellect and commercial acumen.

Remuneration Package: Shall be negotiable dependent upon experience and age. Fringe benefits include non contributory pension, BUPA, good holidays. ACT NOW! Write or telephone for further information and/or application form to the Group's Adviser, William L. Gill, FIPM, on 01-388 2051 or 01-388 2055 (24 hour Answer). Confidentiality assured.

MERTON ASSOCIATES (CONSULTANTS) LIMITED
Merton House, 70 Grafton Way, London W1P 9LE
Executive Search and Personnel Consultants

Finance Director

Property/Financial Services

South-East: c.£40,000 + car

Prudential Property Services, the large new business venture launched by Prudential Corporation, plans to grow through a vigorous programme of acquisition a national network of estate agents with a turnover of £100m+. Two significant acquisitions have already been made.

Part of the central management team of this emergent and largely autonomous business, your objective will be to optimise the financial performance of the regional companies integrated into the Prudential Property Services organisation. You will be responsible for managing a small corporate function concerned with strategy, performance review and consolidation and for co-ordinating regional finance teams. There will be an important emphasis initially on a programme of systems development throughout the organisation.

Probably 30-45 and CA, you must have experience at a senior level of the financial management of a group comprising disparate units, including the direction of a major programme of computer systems development. Knowledge of tax is essential. Experience in financial services or retail sectors could be an advantage.

Please write - in confidence - with full career and salary details to our adviser Peter Evans ref. B.49334.

This appointment is open to men and women.

HAY-MSL Selection and Advertising Limited, 52 Grosvenor Gardens, London SW1W 0AW.

Offices in Europe, the Americas, Australia and Asia Pacific.

HAY-MSL

FINANCIAL SERVICES

MANAGEMENT ACCOUNTANT to £24,000 + Car London

This is a challenging post at the headquarters of a major dynamic public company prior to taking up a financial controllership. Initial responsibilities may include acquisition and viability studies, financial analysis, contract negotiations and systems recommendations. Candidates aged 24-32 should have exceptional analytical and interpersonal skills and be seeking a high profile 'test track' appointment. Ref: DES.

INVESTMENT SECTOR to £21,000 + bfts City

Active participant in the global financial markets seeks a high calibre individual for a demanding and totally encompassing role. As part of the small management services team you will receive unparalleled exposure to all sectors of this field from the special projects, systems appraisals and corporate strategy view point. Previous experience in this industry advantageous. Ref: JFH.

CHIEF ACCOUNTANT c£20,000 + Car London

A young dynamic service group seeks to strengthen its general management team by the appointment of an energetic and hardworking Chief Accountant. Applications are invited from qualified accountants aged 28-35 who can demonstrate proven line, ERP and financial control expertise together with the ambition and commitment to justify board appointment within 2 years. Ref: MJH

LIAISON ACCOUNTANTS c£20,000 Surrey

This blue-chip international group with a diverse and rapidly expanding business base, offers challenging career roles to accountants seeking influential decision making involvement. Resourcefulness, determination, tact and good communications skills are essential to your success. Areas of involvement include divisional co-ordination, corporate planning, budgets, forecasts and systems enhancement in their subsidiaries. Ref: JFH

INTERNATIONAL BANKING c£17,000 + bfts City

Ideal first time move for a young auditor newly/recently qualified ACA. Our client one of the leading names in the "Square Mile", has a much envied record of successfully progressing high calibre individuals into key roles in the areas of business development, leading, corporate finance and investment management. Highly attractive package includes mortgage subsidy and bonus. Ref: KRJL

INTERNAL CONSULTANCY c£16,000 + car Berks

A leading world wide service group requires highly motivated young Graduate ACA's for international roles. These posts offer an ideal starting point for a management career and rapid promotion is likely for those who demonstrate outstanding ability. Superior oral and written communication skills will be rewarded by generous remuneration and extensive travel. Ref: CLW.

HUDSON SHRIBMAN

THE COMPLETE FINANCIAL SELECTION SERVICE

Vernon House, Sicillon Avenue, London WC1A 2QH. Tel: 01-831 2323

STOCKBROKING PARTNERSHIP SECRETARY/ FINANCIAL CONTROLLER

On behalf of clients we are looking for an accountant to act as Partnership Secretary and Financial Controller for an established firm of Manchester Stockbrokers, who will report directly to the financial partner.

The successful candidate's responsibilities will include the preparation of monthly reports, annual accounts, Stock Exchange reports, budgets, and controlling the financial systems.

Preparing recommendations for the partners' consideration regarding the financial developments of the firm and particularly the changes already envisaged within the Stock Exchange "Big Bang" and the securities industry generally, will be a significant role for the successful candidate.

Applicants should preferably be a qualified accountant, probably in the age range 27 to 35 and have had some managerial experience, preferably within a stockbroker's office but this is not essential.

The salary is negotiable and will depend on experience, company benefits include a pension scheme and BUPA cover.

Please apply in writing with a full CV, to:

J.R. Dilly, F.C.A.,
Kavan Pilling & Co.,
Chartered Accountants,
Airefield House,
Exchange Street,
Bolton.

BL1 1RS
Telephone: Bolton (0204) 22611

KEVAN PILLING
CHARTERED ACCOUNTANTS

Hoggett Bowers

Executive Search and Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR
Financial Director

Capital Equipment
North West to £22,000, Car

Rapid growth by this medium sized private company has created the necessity to make this appointment. Reporting to the Managing Director, the Financial Director will be responsible for the total financial function. Duties will include assisting with the day to day running of the Company and the implementation of improved information systems. Candidates, aged 30-40, should be Chartered Accountants with several years experience in a manufacturing environment. Equally important will be the ability to play an entrepreneurial part in the management team. Exciting career prospects will be offered to the right candidate.

S.A. Llevens Ref: 2549/FT. Male or female candidates should telephone in confidence for a Personal History Form 061-832 3500, Hoggett Bowers plc, St. John's Court, 78 Gartside Street, MANCHESTER M3 3EL.

AUDIT MANAGERS

City
c£25k + Bank Bens + Car

Our client is a thriving major force in U.K. and international banking. Its current audit function requires a first class manager to be responsible for eleven staff. The extremely varied work will include all banking disciplines end some (although not onerous) travel. Chartered Accountants (perhaps still in Public Practice) who ideally but not necessarily have bank audit experience are invited to apply for this unusually attractive career move. Please contact Chris French for a preliminary interview.

Thames Valley
c£25 - £30k + Car

Our client is a respected multinational group with an established hi-tech product range and exciting expansion plans. European turnover approached £1bn in 1985. Due to internal promotion they require a European Audit Manager to head a team of 12 bright ACA Audit Seniors servicing Western Europe and UK. Qualified ACAs, aged to 32, holding Audit Management positions with Top 8 firms or multinational companies are invited to apply. A willingness to travel is required. Promotional prospects are excellent for those who can demonstrate necessary management ability, drive and initiative. Please contact Sue Rositer.

Fleet Recruitment
FINANCIAL RECRUITMENT CONSULTANTS
40-43 Fleet St, London EC4Y 1BT Tel: 01-583 6613

FR

Accountancy Appointments



FINANCIAL NEGOTIATOR

Mortgage Securitisation

The National Home Loans Corporation plc was formed in September 1985 to invest in residential mortgages. It has now acquired significant mortgage portfolios from a range of local authorities, insurance companies and financial institutions and has geared up its business development and administrative activities to handle substantial business. In doing so it has gained significant experience of how mortgages may be bought and sold.

The financing of home loans is currently going through a period of rapid evolution. In the near future packages of home loans will be traded between banks and other institutions. The National Home Loans Corporation is a leader in these developments and is now seeking a Senior Executive to head its Securitisation function.

The individual concerned will possess a Degree/MBA, be a qualified accountant/actuary/

Substantial Package

banker/lawyer and have extensive experience in a financial organisation, with some home loan experience. Ideally he or she will also have treasury experience and be a proven commercial negotiator with a knowledge of the legal issues involved.

This is an outstanding opportunity to join this fast growing home loans company at a senior level, and be with a leader in a newly developing marketplace.

The position will be based in either London or the West Midlands.

Applications, demonstrating how you could handle this assignment, together with a brief c.v. should be sent to: K.J. Milner, Finance Director, The National Home Loans Corporation plc, c/o P.O. Box No. A0134, Financial Times, 110 Victoria Street, London EC4P 4BY.

National HomeLoans

Operations Director Securities

c£75,000 + substantial benefits

Part of a major investment banking group, our client is a significant force in the international debt securities market.

In a new appointment reporting to the Chief Executive, the Director will play a major part in the control and development of the business. Responsible for a staff of 100 involved in the securities settlements, systems, communications and financial administration functions, he or she will have considerable impact upon the company's profitability. Liaising closely with the central corporate functions,

the Director will help structure, guide and manage the business growth, both in the UK and overseas.

Applicants should be graduate accountants with an impressive career record to date. A background in financial services is considered essential and should preferably be in securities operations.

Please write, enclosing a career/salary history and daytime telephone number, to David Hogg FCA quoting reference H/428/CF.

Lloyd Management

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

Financial Controller International Trading

Age 28+

c£21,000 + car

A unique opportunity to become the first qualified accountant in a new company has arisen in the city. The firm is already the leading trader in non-ferrous scrap metals world-wide.

Reporting to the Chief Executive Officer the new man or woman is to be responsible for the financial function with emphasis on producing prompt management information and the provision of wise professional advice to directors and traders. Future plans include computerisation. This challenge will suit those with

over two years post qualification experience who are now ready to create their own department and control system in a young dynamic growing company. The ability to communicate financial matters quickly and clearly is essential.

Salary is negotiable around £21,000 and a car is provided. Prospects depend upon performance and profitable growth. Please send full career details in confidence to R.N. Orr, quoting reference M2631, or telephone for a form.

Roland Orr & Partners

Management Consultants

12 New Burlington Street London W1X 1FF Telephone 01-439 6891

Group Financial Controller

West Midlands c. £22,000 + Car

This UK owned profitable public company is an engineering contractor and manufacturer of specialised equipment for a wide variety of industries. The company has already diversified into new product areas by acquisition, and this along with organic growth will continue as part of a soundly based expansion programme.

Reporting to one of two joint managing directors, a dynamic financial controller is required to take overall control of the finance function. In addition to participating fully in the group's expansion

plans and being the source of financial advice to the Board, the successful applicant will be expected to give advice and counsel to accountants based in the subsidiary companies.

Applicants must be qualified accountants with an excellent track record in financial management at an operating level. Experience gained within an engineering environment is desirable, although the ability to provide sound advice and informed comment to all levels of management is more important. Salary is negotiable around £22,000.

with excellent benefits, including a car, and career prospects. Relocation assistance is available.

Applicants should write in confidence with career details, age and current salary quoting reference MCS 1987 to Geoff Firmin, Executive Selection Division, Price Waterhouse Urwick Management Consultants, Victoria House, 76 Milton Street, Nottingham NG1 3QY.

Price Waterhouse Urwick

FINANCIAL PLANNING ANALYST

To £20k plus Car

Controllership within 3 years

Located West of London our client is the highly successful U.K. operation of a major International Company in the Communications and Controls business with a multi-billion dollar world-wide turnover.

The Finance Director is currently seeking a Qualified Accountant or Economics Graduate with Management Accounting experience to join a small Strategic Planning Team responsible for developing targets for new business opportunities and analysing the activities of competitors. You will also have responsibility for consolidating the long range plans of the company's various business activities and for providing critical analyses and appraisals against previous submissions. Candidates should be aged 25 to 35 and must be able to work with minimum supervision and play a key role in making recommendations to management for improving business results.

Please reply in confidence quoting reference FA/54 to: Norman Rayner Associates Ltd., 2 The Nelson Rooms, 68 High Street, Weybridge, Surrey KT15 8BL. Tel: Weybridge (0932) 59482.

NORMAN RAYNER ASSOCIATES LIMITED
Executive Recruitment Consultants

Company Secretary

Peterborough

c.£20,000 + Car

Due to rapid expansion this new post has arisen within our client's head office function. The client, a quoted company, is a strong force in the communications sector operating within a fast moving and competitive environment.

This is an ideal opportunity for a capable, ambitious individual who must be able to demonstrate a strong desire to be part of a highly motivated and professional management team. The position will suit candidates with a financial or legal background, preferably within industry or commerce, aged late 20's/early 30's.

Tasks will encompass all aspects of the company secretarial function associated with a highly acquisitive plc in addition to continual involvement in ad-hoc assignments and exposure to senior management. Please write enclosing a full curriculum vitae quoting ref 105 to: Philip Cartwright FCMA, 97 Jermyn Street, London SW1Y 6JE.

Cartwright Hopkins

FINANCIAL SELECTION AND SEARCH

GROUP MANAGEMENT ACCOUNTANT

WIMBLEDON

SALARY £17k + car

The Group comprises two successful ladies fashion companies engaged in design and marketing of high quality fashion collections and a dry cleaning business. Group turnover is about £15 million. Reporting immediately to the Finance Director but with close involvement with the Company Managing Directors. Responsible for the monthly Management and Annual Financial Accounts. Also various special assignments.

The position involves direct supervision of a Senior Accountant who assists in the detailed preparation of the computerised accounts. The job is very much one of a hands-on approach. Candidates should be aged 28-40 and ideally be qualified Accountants with experience in the fashion industry, although this is not essential. This high-profile position requires effective communication skills and experience of foreign currency accounting would be an advantage.

Please write with full career details to: N. Jones, Esq., Group Personnel Department, Trioville Limited, 81/87 Hartfield Road, Wimbledon, London SW19 3TJ

Financial Director Designate

High Growth Private Group of Companies

RURAL HAMPSHIRE £25,000+ Car+equity participation

We would like to talk to qualified accountants, preferably though not necessarily ACA's, now in their early 30's who are keen to combine their professional capability with an instinctive desire to be part of an entrepreneurially driven management team.

Current trading activities are principally in retail and wholesale areas though the continuous search for new commercial opportunities will also encompass manufacturing and companies each headed by its own Managing Director but looking to the centre for a comprehensive financial service for both management and financial accounting.

It is essential that you have both the technical capability and the personal presence to establish yourself as a peer amongst a strong minded group of senior executives. Success in the role will also depend upon your ability to contribute to the development of strategic thinking within the group.

Short term rewards will be fully competitive. For the right individual longer term rewards should be substantial.

Applicants of either sex should apply in confidence to Michael Johnson, on (0962) 53319 (24 hour service) or write to Johnson Wilson & Partners, Clarendon House, Hyde Street, Winchester, Hampshire SO23 7DX quoting ref. 671.



Johnson Wilson & Partners
Management Recruitment Consultants

Develop your future with Racial TAXATION ACCOUNTANT

A challenging role in tax planning has arisen due to a significant expansion and acquisition by this major British group of companies with its substantial worldwide interests. An ambitious taxation accountant, who will become a key member of a small dedicated professional team is currently sought.

Initially, concentrating on UK taxation, the appointee will be expected to make a positive contribution in developing group taxation systems using sophisticated computer applications. In addition there will be opportunities for developing into international tax.

Applicants should ideally be chartered accountants with three years' post-qualification

experience in corporate tax, or be able to demonstrate that they have the necessary expertise to successfully fulfil this role.

This senior position comes with a salary package commensurate with the experience and responsibility the appointee will be expected to bring to the Company.

Should you require further details or wish to make an application, please telephone 01-751-3021 or write to Derek Joseph, Personnel Officer, Racial-Chubb Limited, Manor House, Manor Lane, Feltham, Middlesex TW13 4JQ.

Racial-Chubb Limited

RACAL

Financial Accountant Solid Career Prospects

c£18k + Car

North Herts.

Our client, part of a rapidly expanding, \$500m, high technology division of a multi-national group, seeks a qualified FINANCIAL ACCOUNTANT (preferably I.C.M.A.) for in-depth involvement in a number of control/accounting functions leading to a more senior role.

An extrovert and persuasive personality is required with at least five years in a responsible financial role and experience spanning all aspects of financial control/accounting, preferably with a multi-national. Some experience of costing long-term projects under SSAP9 guidelines and in preparing detailed budgets/forecasts involving multi-national currencies is desirable - linguistic ability is a plus.

Please send detailed C.V. quoting ref: FT10-6W.

CAPP ASSOCIATES

Capp House, 96d South End, Croydon CR9 3SD. International & UK Recruitment Consultants 01-686 9693

Handwritten signature or mark.

صحة من الاصل

International Commercial Banking BNP UK 01-626 5678

SECTION II - COMPANIES AND MARKETS FINANCIAL TIMES

Thursday May 8 1986

WOLSELEY From Norwich to Nashville we're growing from strength to strength

Ciba-Geigy to help Swiss Bank set up trade in Japan

BY WILLIAM DULLFORCE IN GENEVA

SWISS BANK CORPORATION (SBC) has received a helping hand from a powerful neighbour in its home town of Basel in winning a licence to trade in securities in Japan...

Jane Rippeteau looks at the ambitions of a California-based computer company Tandem off to a good start in Europe

LAST month's London Marathon gave Mr James Treybig and Tandem Computers, the California-based company of which he is president and chief executive, an unusual opportunity to show their wares...



Jimmy Treybig, President of Tandem Computers

will be updated as the deal is settled - not at the end of the day and it will be done throughout the system...

Tandem has some 37 brokerage customers worldwide, with another 'very big order' just signed, the company says.

Tandem dominates the market for on-line transaction processing, which updates data instantly as changes occur in a network.

IBM initially positioned the product as part of its systems product division, responsible for small and mid-range computers. Late last year, however, it shifted the machine, called the System 88, to its communications products division.

Laidlaw in \$216m bid for Mayflower

By Bernard Simon in Toronto

LAIDLAW Transportation, a fast-growing Canadian school bus operator and waste management company, has made a \$216m cash offer for control of Mayflower group of Indiana, the big US furniture removal company with interests in school transport, appliances and home entertainment.

Canadian Pacific sees sharp fall

BY ROBERT GIBBENS IN MONTREAL

CANADIAN Pacific saw a sharp decline in first-quarter profits because of difficulties with its airline, shipping, metals and energy subsidiaries.

Revere gets fresh \$150m takeover bid

By Paul Taylor in New York

REVERE COPPER & Brass, the US aluminium and metal products company which emerged from Chapter 11 bankruptcy protection last year, has received a bid valuing the Connecticut-based company at about \$150m.

Mannesmann to raise its 1985 dividend

By Rupert Cornwell in Bonn

MANNESMANN, the leading West German steel pipe and engineering concern, announced a sharp increase in its 1985 dividend after a growth in net operating profits last year to DM 180m (\$21.8m) from DM 128m in 1984.

Axa acquires Providence

BY DAVID HOUSEGO IN PARIS

AXA, the French private insurance group, has become the third-largest insurer in the country after gaining control of Providence in one of the longest takeover battles on the French bourse.

by Drouot or through Drouot shares. This hefty cost compares with a market capitalisation for Providence of FF 900m before the battle began.

BSN closer to controlling biscuit group

By Our Paris Correspondent

BSN, France's largest food and drinks group, yesterday moved forward in its attempts to take control of Générale Biscuit, the country's leading biscuit manufacturer.

Trinkaus & Burkhardt raises profits sharply

BY JONATHAN CARR IN FRANKFURT

TRINKAUS and Burkhardt, the West German bank which made a public share issue for the first time last October, has sharply raised profits in the first quarter due to buoyant commission earnings and good results from own-account trading.

Holderbank to expand its operations in Spain

BY WILLIAM DULLFORCE IN GENEVA

HOLDERBANK, the Swiss cement group, is expanding its operations in Spain by acquiring four cement plants in Andalusia and the province of Murcia from Cementos Alba, part of the March group.

Swiss insurance group ahead

BY JOHN WICKS IN ZURICH

SWISS LIFE Insurance and Pension Company (Rentenanstalt) achieved a rise in profits of 23 per cent last year to SF 777m (\$419m).

Peugeot parent moves to profit

By Paul Betts in Paris

SOCIETE PEUGEOT, the parent company of the French Peugeot car group, reported net earnings of FF 185m (\$23.5m) last year compared with a loss of FF 204m the year before.

Hoesch payout as profits rise

By Our Financial Staff

HOESCH, the West German steel group, reported a steep rise in net profits for 1985 and plans to pay a dividend, the first since 1976.

Bayerische Landesbank Girozentrale Japanese Yen 10,000,000 5 7/8 per cent. Notes Due 1991

The Hammerson Group

£100,000,000

Sterling Commercial Paper Programme

COUNTY BANK LIMITED

has been awarded a mandate to act as a Dealer in the above programme when the Company's requirements arise and when regulations permit.

INTL. COMPANIES

Datapoint chief ends \$100m buyout plan

BY PAUL TAYLOR IN NEW YORK

MR ASHER EDELMAN, the New York takeover specialist who last year gained control of Datapoint, the San Antonio, Texas-based computer group, has ended plans to lead a \$100m leveraged buy-out of the group, citing an upturn in Datapoint's earnings.

The move appears to throw the future of Datapoint into doubt once again. Mr Edelman, Datapoint's chairman, together with Mr Charles Stevenson and other members of the board and management of the troubled group, had proposed the \$6-a-share cash leveraged buy-out last September. The deal was approved by Datapoint's board last November.

However, Datapoint announced this week that "by mutual agreement" the deal had been terminated. Mr Edelman was forced to take control of the group rather than li-

quidate it last March because of the continuing slump in the domestic US computer industry.

He said: "While the terms of the buyout were found to be fair at the time they were proposed, and although the investment bankers to the buy-out group have advised me of their ability to raise the financing for the transaction, recent improvements in Datapoint's results and prospects have caused me to conclude that the proposal should be terminated."

Mr Edelman indicated that he expected Datapoint, which has lost money in each of the five latest quarters, to post a modest profit in its recently completed third quarter. In the third quarter last year, Datapoint reported an operating loss of \$20.91m and a final net loss of \$28m - after a \$1.9m extraordinary credit - on revenues of \$125.5m.

N. AMERICAN QUARTERLIES

Company	1985	1986	1985	1986
AMERICAN GENERAL Life insurance				
First quarter	\$	\$	\$	\$
Revenue	1,440m	1,580m	35.5m	35.5m
Net profit	143.26m	122.53m	36.7m	31.97m
Net per share	0.95	0.88	1.18	1.02
AMERICAN STANDARD Transport, building products				
First quarter	\$	\$	\$	\$
Revenue	715m	685.8m	44.5m	46.8m
Net profit	82.2m	80.3m	0.83	0.90
Net per share	1.30	0.92		
CONTINENTAL CORP. Insurance				
First quarter	1985	1986	1985	1986
Revenue	1,302	1,250	54.4m	49.5m
Op. net profit	114.1m	140.6m	31.3m	32.2m
Net profit	2.80	0.76	0.35	0.38
† includes capital gains of \$100.3m (\$23.3m)				
ENERGON ELECTRIC Electrical products				
Second quarter	1985-86	1984-85	1985-86	1984-85
Revenue	1,200m	1,170m	389.2m	381.2m
Net profit	102.8m	102.1m	154.1m	141.4m
Net per share	1.43	1.36		
Six months				
Revenue	2,410m	2,280m	197.7m	206.4m
Net profit	201.2m	200.8m	135.8m	126.1m
Net per share	2.79	2.71	72.38	71.90
† Loss				
COMBINO INTERNATIONAL Life insurance				
First quarter	1985	1986	1985	1986
Revenue	35.5m	35.5m	35.5m	35.5m
Op. net profit	36.7m	31.97m		
Op. net per share				
HOUSEHOLD INTERNATIONAL Merchandising, Souvenirs				
First quarter	1985	1986	1985	1986
Revenue	871.0m	871.0m	44.5m	46.8m
Net profit	44.5m	46.8m	0.83	0.90
Net per share				
MOORE CORP. Business stationery				
First quarter	1985	1986	1985	1986
Revenue	54.4m	49.5m	31.3m	32.2m
Net profit	31.3m	32.2m	0.35	0.38
Net per share				
TESORO PETROLEUM Oil & gas				
Second quarter	1985-86	1984-85	1985-86	1984-85
Revenue	389.2m	381.2m	154.1m	141.4m
Net profit	154.1m	141.4m		
Net per share				
† Loss. *After \$60m write-downs.				
TOSCO Energy				
First quarter	1985	1986	1985	1986
Revenue	197.7m	206.4m	135.8m	126.1m
Net profit	135.8m	126.1m	72.38	71.90
Net per share				
† Loss				

C.I.R. International S.A.

NOTICE TO THE HOLDERS OF ECU 85,000,000 Guaranteed 4 7/8% Convertible Bonds Due 1995 ("the Bonds")

Unconditionally guaranteed by and convertible into non-convertible Savings Shares of

Compagnie Industrielle Réunite S.p.A. ("the Guarantor")

Following the Rights Issue by the Guarantor, the Subscription Price of the Bonds has been adjusted pursuant to Clause 10 (A) (3) of the Trust Deed dated 25th October, 1985 constituting the Bonds, from Lire 4410 per share to Lire 3930 per share.

The New Subscription Price applies to any conversions of the Bonds made on or after 1st May, 1986.

Midland Bank plc

Notice is hereby given that the initial rate of interest has been fixed at 10.6% and that the interest payable on the relevant interest payment date, August 7, 1986 against Coupon No. 1 in respect of £50,000 nominal of the Notes will be £133.57, and in respect of £50,000 nominal of the Notes will be £133.57.

May 8, 1986, London
By: Citibank, N.A. (CSI Dept), Agent Bank **CITIBANK**

Weekly net asset value



Tokyo Pacific Holdings (Seaboard) NV
ON 6th MAY, 1986 U.S. \$138.51

Listed on the Amsterdam Stock Exchange

Information: Pierson, Holding & Pierson N.V.
Herengracht 214, 1016 BF Amsterdam

This announcement appears as a matter of record only.

Continental (Bermuda) Limited

(incorporated with limited liability in the Islands of Bermuda)

U.S. \$250,000,000

Floating Rate Notes due 2006

Guaranteed by

Hungarian Foreign Trade Bank Ltd.

(incorporated with limited liability in, and wholly owned by, the People's Republic of Hungary)

Girozentrale und Bank der österreichischen Sparkassen Aktiengesellschaft

Österreichische Länderbank Aktiengesellschaft

Dean Witter Capital Markets - International

Banca Nazionale del Lavoro London Branch

Sumitomo Trust International Limited

Banca Commerciale Italiana

Banque Internationale à Luxembourg S.A.

Chuo Trust Asia Limited

Credit Agricole

Credito Italiano International Ltd

Istituto Bancario San Paolo di Torino

Nederlandsche Middenstandsbank NV

Saitama Bank (Europe) S.A.

Société Européenne de Banque S.A.-Luxembourg

Takagin International Bank (Europe) S.A.

Union Bank of Finland Ltd

Adviser to the Issuer
Private Capital Partners, Inc.

March 1986

NEW ISSUE

This announcement appears as a matter of record only.

April 3, 1986



Bank of China

Dual Currency Japanese Yen/U.S. Dollar Bonds
First Series (1986)

20,000,000,000 Japanese Yen

Bonds due 1996
Coupon rate: 7.2%
Issue price: 101.50%
Conversion rate: 169 Japanese yen

The Nikko Securities Co., Ltd.

The Nomura Securities Co., Ltd.
Yamaichi Securities Company, Limited
Daiwa Securities Co. Ltd.
The Nippon Kangyo Kakumaru Securities Co., Ltd.
Salomon Brothers Asia Limited, Tokyo Branch

Handwritten signature or stamp in Arabic script.

INTERNATIONAL COMPANIES and FINANCE

Borrowers are turning to commercial paper, reports Peter Montagnon

Euronote deals fall from favour

IT ALMOST looks as if the central banks are a year late. Just as they are finally cracking themselves up to regulate the market in Euro-note issuance facilities, the volume of such deals has begun to dwindle.

After explosive growth over the past 18 months relatively few new facilities are coming on to the market as borrowers increasingly turn their attention to the issuance of Euro-commercial paper.

According to figures compiled by Euronote, the banking magazine, new Euronote facilities in the first quarter reached only \$6.62bn compared with a total of over \$40bn for the whole of last year. The first-quarter figure includes one large \$2bn renegotiation of an earlier facility by Sweden, without which the volume would be the lowest since the boom in Euronote facilities started in mid-1984.

Weak tender panels

The main one is the tender panel system under which a group of banks combines to bid for paper issued under these facilities. This is cumbersome. It involves the borrower in giving notice in advance of intent to issue paper and if the tender panel contains weak banks with limited placing power, it can distort the secondary market as paper, once issued, is dumped by bidders which cannot find other buyers.

Unlikely to disappear

In a Euronote facility, these two services are visibly combined in one deal. When commercial paper is issued, the borrower may often also have discreetly arranged separate back-up credit from its banks. That is still an essential sheet commitment as far as the lending bank is concerned, which makes it the type of operation that raises the eyebrows of the regulators.

Our global expansion programme calls on us to build the same kind of prominence in all the world's major money centres with special emphasis on New York and the North American market.

Chemical yesterday played down the departures, pointing out that it still had a 30-year specialist swap team and other major banks have also recently been plagued by a high turnover of specialist staff.

Four of the six who left were junior employees who had been with the bank for less than two years. Chemical said.

Four senior foreign exchange traders at Manufacturers Hanover Trust have resigned en masse to join the trading desk of Security Pacific National Bank in New York, reports AP-DJ.

Chemical men lured by Morgan Grenfell

By Paul Taylor in New York

MORGAN GRENFELL, the UK merchant bank, has lured six executives away from Chemical Bank to head a new capital markets group in New York.

Most prominent among them is Mr Gregory Hsu, 39, a noted debt swap expert who has recently been promoted to be Chemical's director of product development. He will become head of the new group and a director of Morgan Grenfell's New York subsidiary.

Mr Keith Harris, managing director of Morgan Grenfell's New York subsidiary, said the new group will begin operations at the start of next month and will initially specialise in trading government securities and other instruments, including interest rate swaps and the distribution of a broad range of debt securities denominated in major currencies.

Our global expansion programme calls on us to build the same kind of prominence in all the world's major money centres with special emphasis on New York and the North American market.

Chemical yesterday played down the departures, pointing out that it still had a 30-year specialist swap team and other major banks have also recently been plagued by a high turnover of specialist staff.

Deferred coupon FRN for Banque Nationale

BY CLARE PEARSON

NOMURA INTERNATIONAL

launched an innovative deferred coupon floating-rate note issue yesterday for Banque Nationale de Paris (BNP). The \$100m five-year bond pays no interest for the first two years and then 450 basis points over London interbank offered rate annually in arrears. Fees total 80 basis points on the par-priced bond which, through a swap, gives BNP funds substantially below London interbank offered rate.

Among Tuesday's floating-rate note issues, the lead manager reported that the \$100m perpetual bond for Development Finance Corporation of New Zealand was bid at 99.95, well within fees. In contrast, Tuesday's fixed-rate deals for Christiania Bank and Standard Oil were barely traded.

The US Treasury's financing operation in New York entered its second day, causing hesitancy and nervousness among dollar Eurobond investors. Lead manager brought only four new fixed-rate issues to the market, all rated initially worth \$50m.

Equity-related deals have not fared so well recently, and yesterday was no exception. Kidder Peabody brought a 15-year convertible bond for the Florida-based American Bankers Insurance Group that was soon quoted around its par issue price. The deal was increased to \$70m.

Terms will be fixed on May 15, but the indicated conversion premium is between 85 and 25 per cent. Although this is high in comparison with other convertible bonds in the market, this is offset by an investor's put option after seven years. The coupon is expected to be 54 per cent. The underlying shares closed on Tuesday at \$18 1/4.

The second equity-related issue of the day was for Diesel, the Japanese diesel-fuel injection systems company. Yamaichi led the deal, which has an indicated coupon of 24 per cent and a price of par and incorporates warrants for the borrower's shares. Final terms will be fixed on May 25.

The other two fixed-rate dollar deals were also for Japanese borrowers. Toyobo, the textile company, and Bank of Tokyo. Toyobo launched a seven-year bond with a coupon of 8 per cent and price of 100 1/4. This gave a net spread at issue of 74 basis points over comparable US Treasury bonds. Nomura International led the deal. Bank of Tokyo's \$100m bond was led by Bank of Tokyo International. The bond has interest payments rolled up for the first four years and then paid in a lump sum. The coupon is 8 1/2 per cent and price 100 1/4.

A recent convertible deal for SCI Systems, the US company, cost increased from \$50m to \$60m.

Goldman Sachs launched two-stage warrants into the 10-year US Treasury bond auctioned yesterday evening. There are 250,000 initial warrants priced at \$17 which give the right to purchase final warrants priced at \$30 each. These are exercisable from August this year into one Treasury bond at a price \$10 above the average price set at the auction last night. Final

warrants may be exercisable in multiples of 100. The coupon has been set at 12 1/2 per cent, significantly below levels on recent bonds, although issue price is 101 1/4.

In the swap sector, BNP's Eurobond launch at a 10 1/2 per cent great bond 17 1/2 per cent, the largest French Eurobond company. The coupon is 10 1/2 per cent and the issue price 101 1/4. Trading on the Continent was quiet with many traders taking extended trading holidays. The D-Mark sector saw full trading and prices moved down by about 1 point. Of Tuesday's bonds, WestLB's \$100m was quoted at a discount of 1/4 per cent. Its coupon is 12 1/2 per cent and price at 99 1/4 per cent by the lead manager. The Swiss franc market saw low turnover and mixed price changes. A SFR 700m minimum bond for First City Trust saw its coupon fixed at 6 1/2 per cent and price at 99 1/4, whereas the indicated yield was 6 1/2 per cent. There were two private placements for Yokohama Rubber and Maruyuki, the Japanese supermarket chain. They were arranged by Citicorp, International and Long-Term Credit Bank of Japan respectively.

There was a LFR 300m private placement for Union Bank of Norway. The five-year bond carries a coupon of 7 1/2 per cent and was priced at 99 1/4 per cent and thereafter at a premium declining by 1 per cent per annum.

Mitsubishi Trust opens up in London

BY OUR EUROMARKETS CORRESPONDENT

MITSUBISHI Trust and Bank Corporation of Japan has established a new subsidiary in London to strengthen its position in the international capital markets.

national, capitalised at \$10m, will take over the bank's Eurobond underwriting activities which have previously been handled from Brussels. Last year Mitsubishi ranked 47th in the world as a Euro-

bond manager. Mr Motohiko Fujii, the new unit's managing director, said the aim was not to achieve a dramatic increase in market share, but rather selectively to improve the services available.

FT INTERNATIONAL BOND SERVICE

Listed are the 900 latest international bonds for which there is an adequate secondary market. Closing prices on May 7

Table with columns: US DOLLAR STRAIGHTS, DEUTSCHE MARK STRAIGHTS, CONVERTIBLE BONDS, FLOATING RATE NOTES, and various bond details including issuer, amount, and price.

SMH profits more than doubled

By John Wicks in Zurich

SMH, the Swiss micro-electronics and watchmaking group, has announced a 13.5 per cent rise in its sales to SFR 1.85bn (\$276m) for 1985. Profits more than doubled from SFR 26.5m to SFR 60.4m.

The board will propose that SFR 15m of the profits be allocated to reserves and the remainder carried forward.

The performance marks further progress in the strengthening of the group, which was formed in 1984 after a bank rescue of the Asag and SSIH watch groups.

Zandis & Gyr, the electrical engineering concern, expects further growth in turnover in the year ending September. Despite unfavourable exchange rates, the board still aims to repeat profits of SFR 75.9m.

In the first six months, sales rose by 4 per cent to SFR 735m and new-order value by 7 per cent to SFR 867m.

MoF to grant further securities licences

BY YOKO SHIBATA IN TOKYO

THE JAPANESE Ministry of Finance has decided in principle to grant securities licences to seven European financial institutions in two separate moves.

The MoF is expected to grant licences in the first instance to Barlog Brothers, the London merchant bank, and to specially constituted securities affiliates of Dresdner Bank of West Germany and of Swiss Bank Corporation.

In September, the MoF is expected to give the green light to Sogen Securities, a US subsidiary of Societe Generale, the French state-owned bank. County Bank, a subsidiary of National Westminster Bank of the UK, UBS Phillips and Drew, a subsidiary of Union Bank of Switzerland, and

Deutsche Genoesenschaftsbank of West Germany.

The MoF decision will increase to 28 the number of foreign houses with securities licences in Tokyo. At the same time, the Japanese authorities are opening a new round of bilateral talks with European governments to try to settle reciprocity problems in the financial area.

William Dattforce writes from Geneva: SBC has received a helping hand from a powerful neighbour in its home town, Basle, in winning a licence to trade in securities in Japan. Ciba-Geigy, the big chemicals group, has taken a half share in the Hong Kong subsidiary through which SBC will set up

its securities trading operation in Tokyo.

To qualify for a licence under Japanese law, which will separate banking business from securities underwriting, SBC had to create a subsidiary in which it shared ownership with a non-banking partner.

This path round the Japanese hurdles was pioneered last year by Bayer and Siemens. SBC is raising the share capital of its Hong Kong subsidiary, SBC Finance (Asia), from HK\$10m to HK\$120m (\$15.3m), with Ciba-Geigy taking half. SBC Finance (Asia) is in turn

setting up a wholly-owned subsidiary in Hong Kong, Swiss Bank Corporation International Securities (Asia), which will open a trading office in Tokyo.

SBC intends to provide a full range of brokerage, dealing, selling and underwriting services. It will decide whether to apply for membership of the Tokyo Stock Exchange after the formalities for the granting of the licence have been completed. This should happen in the next 10 days.

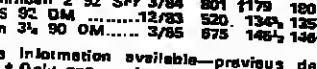
In March the Swiss Banking Commission announced a temporary halt to the licensing of new Japanese bank operations in Switzerland. Japan was not granting full reciprocity, Dr Herman Bodenmann, the Commission chairman, said.

These Notes having been sold, this announcement appears as a matter of record only.

U.S. \$100,000,000

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(Incorporated in the Netherlands Antilles)



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Issue Price 100 3/4 per cent.

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BankAmerica Capital Markets Group Banque Bruxelles Lambert S.A.

Banque Paribas Capital Markets Limited Baring Brothers & Co., Limited

Chemical Bank International Group Citicorp Investment Bank Limited

Commerzbank County Bank Limited Crédit Commercial de France

Crédit Lyonnais Dai-ichi Europe Limited Daiwa Europe Limited

Deutsche Bank Capital Markets Limited Girozentrale und Bank der österreichischen Sparkassen

Goldman Sachs International Corp. Kredietbank International Group

Lloyds Merchant Bank Limited Manufacturers Hanover Limited

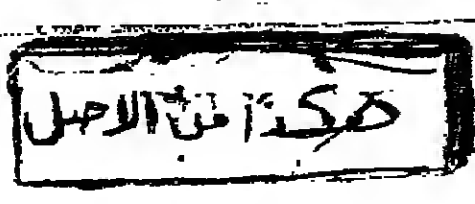
Merrill Lynch Capital Markets Samuel Montagu & Co. Limited

Morgan Stanley International Nomura International Limited

Orion Royal Bank Limited Shearson Lehman Brothers International

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سكينة من الالهي

International Appointments

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seeing vigorous growth. We now have 31 offices in 15 different countries throughout the world, and a network of over 470 branches in the Netherlands. In total, we employ more than 11,000 people.

Senior International Banking R&D Economist at our Amsterdam Head Office

NMB Bank's International Division is responsible for both devising policy and performing the bank's international services, and this includes conducting research into opportunities available in new international markets and for the development of new products.

Research and Development is one of the units of the General Affairs Department of the International Division. One of the Department's tasks is to provide policy-making support to the management. The R&D unit's work consists of market research and product development in the international field. This includes systematically monitoring and mapping out trends in international banking, advising and reporting to management on international developments of interest to the bank, devising new activities and underpinning the commercial and strategic planning process.

The Senior R&D Economist will work closely with both commercial and other policy-making departments in the International Division, and will provide direct support to the

Division's management. He or she will be closely involved in all the bank's activities. The position offers good opportunities for independence and initiative and, given the nature of the job and NMB Bank's policy of expansion, the career prospects are good.

What we are looking for and what we are offering

If you are the person we are looking for, you will preferably have a degree in economics, and should have experience in research and policy development and a sound knowledge of international banking. At the moment, you are working in marketing, planning, banking, financial journalism or consultancy. You are both practically and theoretically minded. You are a good organizer, can work well on your

own, and are both perceptive and resourceful. A knowledge of Dutch is not essential for the job. Finally, we expect that you should be able to move upwards in the bank's organization.

We offer a competitive salary and attractive fringe benefits, including an extra month's salary each year, an 8 1/2 holiday allowance, profit-sharing, a non-contributory pension scheme (applying to staff aged 25 and above), sick pay, and other banking services at special staff rates.

The International Division is located at our head office at 2, Eduard van Beuninstraat in Amsterdam.

Applications should be sent to Mr. R. Heterseid, International Division Personnel Department, P.O. Box 1800, 1000 BV Amsterdam, the Netherlands. Please quote reference number 5001 in your letter. If you would like any further information, please call Mr. K. van Lier, Head of the General Affairs Department, on either 31 20 5433615 (office) or 31 20 842405 (home).



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The candidate appointed will be required to develop and implement all aspects of accounting, control and management information in a fast-moving, multi-currency treasury. The requirement is for a graduate, qualified Accountant with not less than five years experience with an International Bank or a large Corporate Treasury.

FOREIGN EXCHANGE/ANALYST
The candidate appointed will undertake analysis of foreign exchange and interest rate markets. Requirements include graduate status analysts with a minimum of five years experience in a similar role within a large International Bank.

FINANCIAL ACCOUNTANT
The candidate appointed will assist the existing financial team in the continuing development of Financial Accounting, performance analysis and the provision of management information to all levels of management. A graduate, qualified Accountant with several years experience in the investment and/or banking fields.

All candidates should be able to demonstrate solid relevant experience, good interpersonal skills and a flexible, shirt-sleeves approach to problem solving.

Candidates will be required to live in Abu Dhabi on married or single status. The remuneration package will include a substantial salary, transport allowance, furnished accommodation inclusive of services, generous leave, annual return air fares to place of origin, free health care, assistance with education of dependent children and a substantial terminal gratuity.

Please send full career details together with an indication of salary requirements to:
The Director, 18th Floor, 99 Bishopsgate, London EC2M 3XD
Interviews will be conducted in late May/early June 1986

Un elemento chiave per la nostra strategia di crescita nella Consulenza di Gestione in Europa

Arthur D. Little, società riconosciuta come tra i leaders mondiali della consulenza di gestione e della tecnologia, continua ad espandere le proprie attività in Europa.

La nostra sede italiana, basata a Milano, è una delle forze trainanti del nostro sviluppo in Europa ed opera nei campi della gestione strategica, organizzazione, attività operative, sistemi informativi e finanza. Uno dei suoi punti di forza, rappresentati dall'Arthur D. Little, è la capacità di integrare in ogni aspetto funzionale del business la dimensione tecnologica.

Questo contesto ha creato opportunità di carriera molto stimolanti per laureati di età attorno ai trent'anni con ottima conoscenza della lingua italiana ed inglese. Il candidato ideale possiede una laurea in Ingegneria o in discipline prettamente scientifiche, supplementata da un Master in Business Administration. La sua esperienza di lavoro consiste in cinque o più anni nell'industria e comprende eventualmente anche un periodo nella consulenza.

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Il pacchetto retributivo offerto interesserà i candidati del massimo calibro.

Si prega di inviare un curriculum vitae dettagliato (in inglese) a: E. H. R. Lyte, Director of Personnel, Arthur D. Little International, Inc., Berkeley Square House, Berkeley Square, London W1X 6EY.

Arthur D Little International, Inc.

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REWARDS:

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APPLICATIONS:

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If you possess a specialist capital market or stockbroking skill and would be interested in discussing the possibility of relocating or returning to Tokyo, please telephone for an initial discussion or send a Curriculum Vitae for the attention of Roy Webb, Managing Director, Jonathan Wren International Ltd, 170 Bishopsgate, LONDON, EC2M 4LX, tel: 01-623 1266, telex: 8954673 WRENCO.

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Banking Consultants

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The Manager will be responsible for the Executive Management of the bank under the direction of the Board of Directors; for the day-to-day operations of the mortgage bank; establishment of the internal operating procedures of the bank; preparation of business plan incorporating projected levels of activity, revenues and expenses and capital expenditures.

Applicants should have ACCA or its equivalent or MBA Finance with background in corporate Finance, Law, Money, Banking and Monetary Economics and at least five (5) years in management experience. The ideal candidate must possess strong communication and marketing skills. Candidates having exceptional experience without qualifications will be considered. Compensation package negotiable.

Applications and further particulars relating to the post can be directed to the:

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42 Belgrave Square, London SW1X 8NT
Tel: 01-245 9351
Closing date for applications is June 11 1986

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The successful applicant will be responsible to the Financial Director for financial, operational and computer audits both in Hong Kong and all outposts of the airline, involving extensive travel outside Hong Kong.

It is expected that after two to three years in this appointment you would continue with the Group in Hong Kong or elsewhere, outside the internal audit function.

The salary will be attractive; additional overseas benefits will include assisted housing, education allowances, six weeks annual leave with family passages paid and retirement benefits.

Write in confidence to:
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JOHN SWIRE & SONS LTD
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Savory Mill	Savory Mill Securities Inc.
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London	New York
EC2M 6PU	New York 10022

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Public multilateral financial organization seeks an experienced banker/financial officer to head the portfolio management section of its operational headquarters in Washington, DC. The successful candidate will supervise the investment of the liquid portfolio of the institution in the capital and money markets of 18 convertible currencies. Responsibilities include analysing the market trends and proposing investment strategies; developing contacts with the international banking community, and initiating improvements in the computerized systems for recording and retrieving information related to the institution's investment activities.

The position requires extensive knowledge of international finance, capital markets, and foreign exchange markets, banking operations and management techniques. Candidates must possess a firm understanding of the mathematical concepts involved in portfolio management with a view towards participating in the continual development of analytical computer models. Other requirements include: a minimum of 8 years of experience in finance, of which 5 must be in investments or portfolio management; a master's degree in economics, finance or business; clarity of verbal and written expression in English. Spanish is desirable and other languages a plus.

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Box 40125, Financial Times
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UK COMPANY NEWS

Share disposals help Trafalgar to £72m

Trafalgar House's results for the six months to March 31 1986, announced yesterday...

over by C. H. Beazer, which netted around £8m; and the disposal of the 50 per cent stake in the London Evening Standard to Associated Newspapers.

business. After this and a higher dividend payment — the interim is raised by 1.2p to £2.2p, which will account for £21.45m (£18.62m)—retained profits for the half year were little changed at £25.69m (£25.33m).

ever performances, but the directors say that it remains to be seen whether terrorism and a weak dollar will affect the summer.

Wimpey share sale makes £73m for Grove

By David Goodhart Grove Charity Management, the dominant shareholder in George Wimpey, the engineering and construction group, announced yesterday that it had raised £73m by reducing its Wimpey holding from 49.9 per cent to 35 per cent.

Dutch group makes £49m agreed bid for Park Place

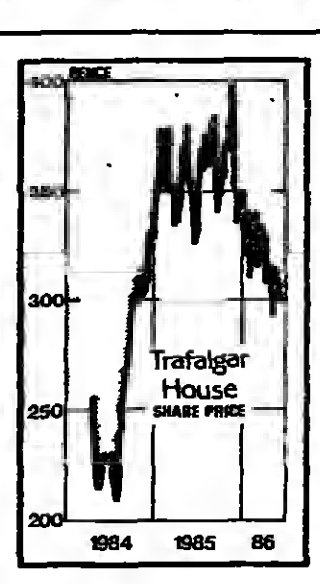
BY CHARLES BATCHELOR A LEADING Dutch publishing group, Wolters Saunson Group, is making an agreed bid, worth £49.4m cash, for Park Place, a supplier of accountancy and computer training courses.

market expected the offer to be accepted. Park Place provides training courses for accountants, computer operators and other business groups and publishes specialist books for accountants, lawyers and schoolchildren.

It made a pre-tax profit of £1.5m on sales of £4.7m in the six months ended December 1985. It has made a number of recent acquisitions, including many Glasgow, a language teaching magazine publisher, Edwards and Wychie Publications, a distributor of professional and technical books; and United Computer and Technology Holdings, a quoted investment trust.

Lionel Barber on the strategy behind the £80m deal with John Brown Engineering's uncertain heartland

MR ERIC PARKER, chief executive of Trafalgar House, the shipping, construction and property conglomerate, gave a characteristically gritty performance at the Ritz Hotel in London yesterday.



helter-skelter expansion in the US. In came Sir John Cuckney, the company doctor, of whom it is said that he has never let a patient die.

Deadpan, Mr Parker was a useful man to field at yesterday's press conference which announced Trafalgar's results. And just in case he failed to convince his audience about the group's current strength and direction, there was also a big deal designed to grab tomorrow's headlines.

The proposed £80m acquisition of John Brown brings a mixed bag: engineering and construction, the design and manufacture of plastic machinery, textile machinery and transportation equipment and the manufacture of industrial gas turbines, including the installation and commissioning of electric power generation plants.

proposal for the fixed cross Channel link and recently the proposed acquisition of Vickers works yard — have failed to catch the eye of the market.

But they include profits on share dealing (particularly the £8m earned after the disposal of a minority stake in French Kier, the construction group).

Burnett realises \$8m in US sale

Burnett & Hallamshire, the troubled coal-mining group, announced yesterday that it had realised \$8.1m (£5.23m) in cash through the sale of one of its property developments in California, the Beverley Square.

cash crisis, which led eventually to a capital reconstruction. The Beverley Square development was sold for \$28.1m, but Burnett had to repay an outstanding \$20m construction loan associated with the building.

Burnett is trying to sell two of its three remaining properties in California and hopes it can do so by the end of the year.

Irving offer for Smith St Aubyn lapses

Irving Trust, the US banking group, yesterday bowed out of the takeover battle for Smith St Aubyn, discount house, leaving the field clear for the rival and higher bid from King of the Maxxam, another discount house.

Atlanta has 19.9% in Barrie

Barrie Investments and Finance stated that in recent weeks a holding of 19.99 per cent has been built up by Atlanta Fund Managers and discretionary clients.

The directors of this holding that a large part of this holding was acquired at around the present market price. They have no knowledge of the future intentions of Atlanta and its associates, and the holding which they acquired was unsolicited by Barrie.

King and Shaxson said that it now spoke for 38.5 per cent of Smith's shares and was extending its offer until May 21.

Irving said that it had received acceptances for its offer covering 8.97 per cent of the shares. Having considered its position, it could see no justification for revising its offer and had decided to allow it to lapse.

W.H. Smith pays £0.8m for Paperchase

W. H. Smith & Son has acquired for £800,000 cash 75 per cent of the capital of Paperchase, a stationery and printing group, which trades in two greening card and fashion stationery shops located in Fulham Road and Tottenham Court Road in London.

Mr Malcolm Field, W. H. Smith managing director, said: "This purchase is very much in line with our strategy of opening specialist chains in our main product areas."

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APV warns on Siebe tactics

APV Holdings, the process engineering group which is fighting a £180m takeover bid from Siebe, warned its shareholders that they would "be bombarded with all sorts of graphs and tables" from Siebe during the course of the bid.

Rodime's poor trend to continue

Rodime, manufacturer of disc drives for small business and personal computers which came to the Stock Exchange in March, has reported a sharp drop in profits in the first half to the end of March.

traded on the US Over-the-Counter market, said that the poor trend could be expected to continue into the next quarter.

of the industry had forced down prices by 40 to 50 per cent. It admitted that this was a very poor result in historical terms but added that it had done exceptionally well last year, because a lot of orders were for a time, adding its product to a range of IBM personal computers.

Rotaflex hits at Emess

Rotaflex, the lighting group which is fighting off a £31m takeover bid from Emess Lighting, yesterday criticised the Emess offer document for containing "misleading and selective information".

Republic Hogg

REPUBLIC HOGG Robinson, the US subsidiary of the Hogg Robinson Group, has acquired a company engaged in the insurance broking and employee benefit business in Atlanta, Georgia: Agency Renewals of Obedoer.

MACFARLANE GROUP (Clansman)

has offered to acquire Pneumatic Rubber Stamp Company for £476,760. The offer is £1.31 cash for every existing fully paid £1 ordinary share before the tax of Exchequer dividend.

AMEROSE INVESTMENT

Trust has increased its final dividend from 5.8p to 6.39p net per share for a higher total of 8.7p against 8.52p net asset value per income share was little changed at 31.2p (31.2p), and net asset value per capital share rose from 364.8p to 404.73p. Net revenue for the year to March 31 1986 was up from £633,000 to £708,500.

YEARLING BONDS

totaling £7.5m at 8 per cent redeemable on May 15 1987, have been issued this week by the following authorities: Birmingham & Dean Borough Council £0.5m; Kirklees Metropolitan BC £1.5m; Middlesbrough (Borough of) £0.5m; Bassetlaw District Council £0.5m; Malvern Hills DC £0.5m; Telford BC £0.5m; West Lancashire DC £0.25m; Brentwood DC £0.25m; Dudley Metropolitan BC £1m; Swanses (City of) £1m; Greater Manchester Passenger Transport Executive £1m.

LINREAD chairman Mr D. G. Lynam

told shareholders at the annual meeting that markets for commercial products had mostly been weak although there were some encouraging signs beginning to show.

RENTOKIL GROUP

annual meeting heard that profits for first six months were expected to show modest increase. Board's view of whole year was that group would achieve higher rate of profit growth than in 1985. Group is 55.4 per cent owned by Sophus Berendsen, incorporated in Denmark.

KENYON SECURITIES

has acquired the goodwill and assets of the business of funeral directors Kelly and Co (Grampian) Ltd. The consideration was £425,000 satisfied by the allotment of 197,614 ordinary shares together with a payment for stock which is unlikely to exceed £20,000.

CRAY ELECTRONICS Holdings

has acquired Teletech Services, a small private company. Initial consideration is £50,000 satisfied by the issue, credited as £1.00 per share, of 50,000 ordinary shares. The agreement also provides for Cray to issue further ordinary shares to the vendors if Teletech reaches certain agreed levels of profitability in each of the three financial years ending April 30 1989. Aggregate value of such issues of further shares shall not exceed £450,000.

PARK FOOD GROUP

has acquired, for £20.5m cash, 68.4 per cent of Warrington-based Lamb & Watt, a compounder and wine and spirit merchant. Lamb & Watt will continue to operate with its present management, who are also the minority holders.

HYMAN has acquired Echoledge

of Alfreton, Derbyshire, holding company of Sherwood upholstery group. Consideration of £750,000 to be satisfied as to £500,000 in cash and balance by issue of 535,823 ordinary shares before the tax of Exchequer dividend for 10 months to January 31 1986 were £251,926. Net assets were £325,802.

SENIOR Engineering subsidiaries

have made a number of acquisitions for a total cash consideration of about £2.2m. Mr. Hargreaves has acquired from Gairns the rights to the stocks of Welford and Wellint industrial doors. Senior Process Heating has bought DKL general and electrical engineers. Senior Heat Treatment has bought Aldridge Heat Treatment from S.K. & Dorman Tools (Sheffield) and Senior Engineering (LE) has bought Northern Heat Treatments and its wholly owned subsidiary Northern Induction.

HIGH GOSFORTH PARK, racecourse proprietor and estate owner

increased its pre-tax profits from £35,185 to £32,449 in 1985. Turnover was marginally lower at £396,908 compared with £449,945. The pre-tax figure includes profit on the sale of fixed assets of £63,089 (£28,198). A same-again dividend of 15p is being paid, but this time with a special bonus of 5p. Stated earnings per £1 share climbed from 3p to 7.2p. Tax for the year jumped from £1,496 to £16,569.

THIRD MILE INVESTMENT, engaged in property, stationery distribution and share investment

achieved taxable profits of £242,500 (£178,000) in 1985. Turnover was £1,830,000 (£907,000) and tax was £27,000 (£16,000). Final dividend is 1.4p (1.2p) to 2.2p (1.9p) total.

CITY OF OXFORD Investment Trust

increased its net asset value per 25p share from 255.4p to 327.1p in the year to March 31, 1986. Stated earnings per share were 8.07p against 7.48p, and the final dividend is raised from 4.75p to 5p. Special dividend of 8p (7.25p). Net pre-tax revenue rose from £445,442 to £478,777 after interest and management expenses up from £78,875 to £88,029. Tax took £147,176 (£140,226).

DELTA GROUP has acquired Investment Engineering for a consideration of about £1.1m

Based in Nottinghamshire, Investment Engineering is a producer of tools, both for industrial and agricultural use, and high quality plastic mouldings. The acquisition will be integrated into Delta's fluid controls division's precision engineering business.

Worchester GROUP plc

Placing by SAVORY MILLN LIMITED of 900,000 ordinary shares of 10p each at 110p per share

Authorised £600,000 in ordinary shares of 10p each £455,000

Worchester Group plc is the holding company of a group of businesses engaged mainly in the central heating, construction and packaging industries. The largest single activity involves the design, manufacture and sale of domestic central heating equipment. The Group is the principal UK manufacturer of a range of mains-fed 'combination' gas boilers under the 'Heatslave' trademark, which eliminate the need for both hot and cold water storage tanks.

Dividends Announced

Table with columns: Company, Current payment, Date, Corrs, Total, Total last year. Includes City of Oxford Investment, Diploma, Harris Queensway, James Fisher, etc.

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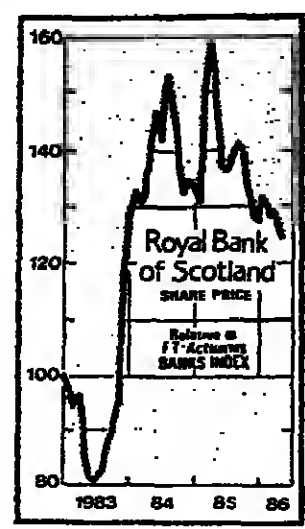
Table with columns: Company, Current payment, Date, Corrs, Total, Total last year. Includes City of Oxford Investment, Diploma, Harris Queensway, James Fisher, etc.

UK COMPANY NEWS

Royal Bank rises 22% to £93m

Royal Bank of Scotland yesterday reported a 22 per cent increase in interim profits from £75.9m to £92.7m. Sir Michael Herries, chairman, said this reflected higher net interest earnings and fee income.

Also the results were tangible evidence of our merger policy and we shall continue to pursue our dual objectives of expanding our range of services," he said. Over the last six months the group has introduced the Complete Pension Scheme, and announced its intentions to offer a full range of debt factoring services.



Sir Michael Herries, chairman of Royal Bank of Scotland

comment

Royal Bank had to do some quick explaining yesterday when its interim fell £10m below the market's expectations. As with Bank of Scotland recently it was higher than expected bad debt charges plus rising staff costs that did the damage — although most of this appears to be non-recurring. The £33m bad debt provisions contained a write-off of some £10m on Hong Kong shipping exposure plus £3m from the consolidation of Charterhouse's balance sheet. The rise in staff costs is more worrying for the number of special items are limited — perhaps £3.5m in the £17.5m rise. While property disposals will come to the bank's aid in this half or perhaps a little later, it is clearly not as easy as expected to achieve economy with synergy. The fall in the lendings total is due to a move away from low margin business. In particular US lending is down a fifth while the UK-based figure is up 13 per cent. Much of this increased lending at home is dependent on the consumer credit boom, a sectoral feature to which the rises in M3 are a testimony. The shares dropped 16p to 336p on these figures and forecasts have been dimmed down to £205m for the year — which could signal a buying opportunity on a one year view.

While half of the 24.4 per cent increase in bad debts stemmed from accounts of subsidiary companies recently acquired, Sir Michael said that the 12 per cent rise in this charge for the clearing bank was disappointing and reflected continuing problems encountered particularly by the oil service and shipping industries.

Part of the higher costs were due to the consolidation for the first time of operating profits from Charterhouse, the merchant bank acquired for £55m early last year, although the profit contribution from this source was substantial, the chairman said.

Silentnight makes up lost ground in second half

AFTER showing losses of £820,000 at halfway, Silentnight Holdings recovered in the second half and ended the year to February 1 1986 with pre-tax profits of £270,000 compared with £223m in 1984-85, and £524m in the previous year.

The first-half losses were mainly as a result of a strike at the group's largest subsidiary, Silentnight Beds, which is based at Barnoldswick, Lancashire.

Worcester Group for USM

Worcester Group is joining the USM through a placing of 800,000 shares at 110p, valuing the company at £88m. The central heating, construction and packaging company in which Mr Peter Walker MP is a minor shareholder is raising £470,000 net from the issue.

The group's businesses split into two parts—central heating boilers and waterproof special packaging materials plus contracting in steel and air ducting. Profits growth has come from the first two components while the other areas, both recent acquisitions, have made losses due to provisions on uncompleted contracts.

BOARD MEETINGS

TODAY	Finals
Interim: AE Barton Transport, Fairline Bots, Stakis, United Spring and Steel, Vaux	Anglo American Corp., of South Africa
Finals: Allied-Lyons, European Ferries, Extel, Garner South, Holt Lloyd International, Jusi Rubber, Marks and Spencer, PWS International, Francis Sumner, U.C.I., Usher-Walker	Adas Property
FUTURE DATES	Boots
Interim: May 13	Boots
Concorc: May 19	Fedex Agricultural Indus. I
Crystalite: May 19	Imvay and Sim
Imperial Cold Storage and Supply: May 9	King and Saxton
International Thomson: May 9	Kingsley and Farster
	Seair
	Warland Investing
	Whitbread
	Whitbread Investment
	Amended

Directors of Spring Ram sell 19% stake

By Charles Batchelor

THE DIRECTORS of Spring Ram, the fast-growing maker of bathroom and kitchen fittings, have sold a total of 3.8m shares—18.89 per cent of the equity—to bring their stake down to a more "appropriate level."

Confident Harris Queensway lifts profits £10m

BY LUCY KELLAWAY

Harris Queensway, the stores group, yesterday announced details of a rights issue which will raise £7.6m after expenses, and unveiled pre-tax profits for the 13 months to January 26, 1986 up from £27.3m to £36.5m, which is in line with City expectations.



Sir Philip Harris, chairman of Harris Queensway

Bestwood increases CGA terms and stake

By Martin Dickson

Bestwood, the investment group, yesterday increased the value of its contested takeover bid for County Gentlemen's Association to £9.3m and said it had bought a further 12.46 per cent of stake, lifting its hold over CGA's equity to 46.5 per cent.

CGA, which provides financial services to its 32,000 members, as well as non-members, has agreed to a rival bid from Fredericks Place Group, which is not quoted. Mr Peter Earle, chairman of CGA, said last night that it was still studying the new Bestwood terms and advised shareholders to take no immediate action.

No interim dividend was paid, and the directors are recommending a final of only 1p against last year's total of 2.75p. Stated earnings per 10p share fell from 6.29p to 0.56p.

The year-end figures show turnover was down from £79.79m to £71.5m. Interest charges were lower at £49,000 against £64,000. There was a tax charge of £18,000 against a credit of £98,000, but extraordinary debits were substantially reduced from £1.5m to £256,000.

Turnover for the whole group has grown from £5.2m in 1981 to £18.3m in 1985, while pre-tax profits have risen from £356,000 to £603,000. Current trading shows 30 per cent sales gains for the central heating boilers—based mainly on the strong demand for the group's tankless combination unit.

According to Mr Cecil Duckworth, chairman and chief executive, the group is keen on acquisitions and a USM quote will mean that in future shares can be used as well as cash. Brokers Savory Milln have been priced on what some analysts see as a rather conservative historic multiple of just under 10.

NURDIN & PEACOCK PLC THE Cash and Carry WHOLESAIERS

Record results for 22nd successive year

Statement by the Chairman

	1985 £000	1984 £000
Turnover	727,771	596,100
Profit before tax	15,717	13,161
Taxation	6,492	4,967
Profits after tax	9,225	8,194
Dividends per share	4.05p	*3.36p
Earnings per share	12.3p	*11.0p

Looking back on our Double Jubilee year it is pleasing to record that it was not only a great deal of fun, but also produced good results. Sales increased from £596.1m to £727.7m and profits before tax from £13.16m to £15.71m. Profits after tax show an increase from £8.2m to £9.2m.

During 1985 we opened a new branch at Gloucester and moved into new premises at Colchester. Both are trading well up to expectations. On 17th March this year we opened at Wolverhampton and I can only say that the opening and subsequent weeks' sales have exceeded every figure that had been achieved previously—and every forecast—all apparently without affecting our nearest branch at Nuneaton.

Later this year in Portsmouth, where we started our first Cash & Carry in 1960, we shall be moving to larger premises for the fourth time. The growth of the Portsmouth Branch under the guidance of our first Cash & Carry manager and his wife, Mr. and Mrs. Willows, has necessitated this move. It is sad that we have not been able to find a bigger place for them before, but I am pleased the new branch will be open before they retire.

These figures are the result of a tremendous amount of extra work and enthusiasm by our Staff in relation to the Jubilee activities and I would thank them here for all they have done. I am pleased to say that the amount set aside under the Staff Share Participation Scheme has exceeded £1 million for the first time. I should also like to express my appreciation for the backing we received from our suppliers for our token gift scheme which proved highly successful, helping us to substantial increases with many manufacturers.

Your Directors are recommending a final dividend of 2.4p per share. This, together with the interim dividend of 1.65p per share already paid, makes a total for the year of 4.05p per share and compares with 3.36p per share adjusted for 1984. I have waived the dividend on my own shareholding.

The highlights of the year, apart from the Jubilee activities, were the continued success of our Peacock range and other exclusive labels. Red Band cigarettes and our exclusive label drinks continue to be highly successful, and these together with the Peacock range, showed an increase of 74% over the previous year, reaching £129 million. It is also pleasing to note that established branches showed an increase in sales last year of around 14% with good performances in all departments.

Building operations that are underway include a new branch at Paignton, a replacement for Waltham Abbey on the old R.A.F. station at North Weald, close to the junction of the M11 and M25, and a block of offices to bring the headquarters' activities together at Raynes Park. These should all be operational in 1987. In addition there is a continual and extensive programme of refurbishment and small extensions to existing branches.

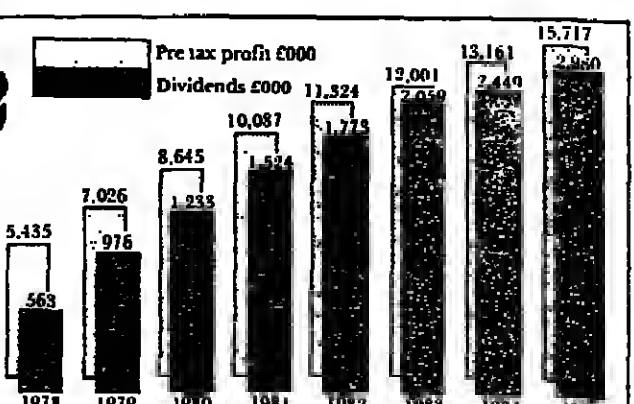
At the start of the current year, we launched a restricted range of 28 fast selling lines under the 'Happy Shopper' label. A great deal of research and marketing effort went into this range, whose unique feature is that every line is price marked at a very competitive level, giving a good margin to our retail customers. This effort has been rewarded by instantaneous success to such an extent that we are already adding extra lines. Apart from the sales of the products themselves, retailers tell us how much they have helped to bring customers into their shops.

Sadly, at the end of 1985, Mr. George King retired as Managing Director. In his 48 years with N & P, apart from the War years, he has made an outstanding contribution not only to the success of the Company but also to our philosophy that people matter. As Personnel Director he engaged the majority of our Staff and I am pleased to say that he is continuing in a part-time capacity which will enable him to keep in touch and we shall also retain the benefit of his wisdom and long experience.

Training goes on apace both inside and outside the Company. For our customers, many of whom are new to the trade, the business development films which we had produced in 1985 have proved extremely beneficial and to date have been seen by over 1,000 people. I should like also to pay a tribute to those who have been involved with our Staff training, for the way in which they have made courses both relevant and enjoyable.

With regard to the prospects for the current year, we have made an encouraging start, morale is high and I am hopeful that we shall be able to set new records again for both sales and profits.

W. M. Peacock, Chairman



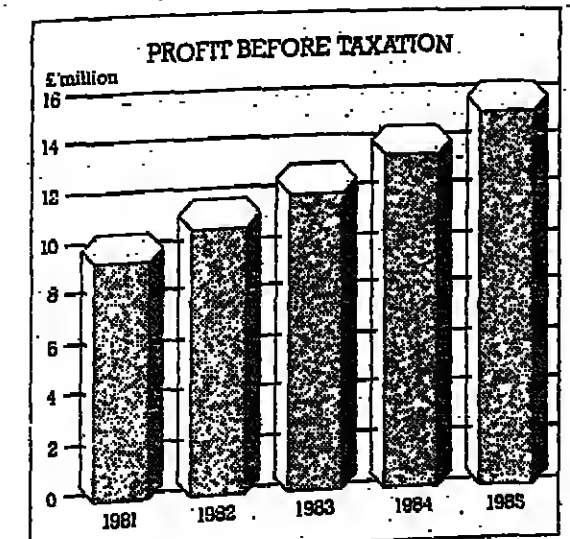
Head Office: Bushey Road, Raynes Park, SW20 0JJ. Tel.: 01-946 9111

Matthew Hall

Public Limited Company INTERNATIONAL ENGINEERING DESIGNERS AND CONTRACTORS

Continued growth in profits

- Pre-tax profit up 13% - profit attributable to shareholders up 37%.
- Final dividend of 3.0p proposed: total for the year 4.5p - an increase of 14%.
- Good performance from UK operations with high levels of activity in the oil, gas and chemical sector. UK mining companies return to profitability.
- Increased volumes of work in the mechanical and electrical sector despite intense competition.
- IDC acquired during 1985, extending the Group's engineering capability in design and construction.
- Current year commenced with order book comparable to recent years and encouraging volume of enquiries for future work.



	1985 £000	1984 £000
Turnover	432,672	382,769
Value Added	217,650	201,439
Profit on ordinary activities before taxation	16,061	14,245
Profit attributable to shareholders	9,500	6,914
Shareholders funds	61,655	48,662
Dividends per share (net)	4.5p	3.9375p
Earnings per share	13.26p	10.11p

The Annual General Meeting will be held in London on Friday, 30th May, 1986. Copies of the Annual Report 1985, containing the Chairman's Statement in full and a Review of the Year, may be obtained from the Secretary, Matthew Hall PLC, Matthew Hall House, 7 Baker Street, London W1M 1AB. Telephone: 01-935 9384. Telex: 291441.

UK COMPANY NEWS

The Royal Bank of Scotland Group plc

RESULTS FOR THE SIX MONTHS ENDED 31 MARCH 1986

SUMMARY OF KEY FIGURES (unaudited)	6 months ended 31.3.86	6 months ended 31.3.85	12 months ended 30.9.85
PROFIT BEFORE TAXATION	£92.7m	£75.9m	£166.3m
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	£55.3m	£42.1m	£94.8m
EARNINGS PER 25p ORDINARY SHARE	19.5p	17.1p*	35.7p
DIVIDEND PER 25p ORDINARY SHARE	4.0p	3.6p	9.6p

GROUP PROFIT

The directors of The Royal Bank of Scotland Group plc report the following results for the six months ended 31 March 1986:

CONSOLIDATED PROFIT AND LOSS ACCOUNT (unaudited)	6 months ended 31.3.86	6 months ended 31.3.85	12 months ended 30.9.85
OPERATING PROFIT	£m	£m	£m
The company and its subsidiaries	88.8	72.5	158.7
Share of profits of associated companies	3.9	3.4	7.6
PROFIT BEFORE TAXATION	92.7	75.9	166.3
Taxation [based on UK corporation tax at 37½ per cent. (1985 42½ per cent.)]	(37.0)	(33.5)	(71.6)
PROFIT AFTER TAXATION	55.7	42.4	94.7
Minority interests	(0.3)	(0.2)	(0.1)
Preference dividends	55.4	42.2	94.6
(0.1)	(0.1)	(0.1)	
PROFIT BEFORE EXTRAORDINARY ITEMS	55.3	42.1	94.5
Extraordinary items	—	—	0.3
PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	55.3	42.1	94.8
Ordinary dividends	(11.4)	(10.2)	(27.2)
RETAINED PROFIT	43.9	31.9	67.6
EARNINGS PER 25p ORDINARY SHARE	19.5p	17.1p*	35.7p
DIVIDEND PER 25p ORDINARY SHARE	4.0p	3.6p	9.6p

SUMMARISED CONSOLIDATED BALANCE SHEET

	31.3.86	31.3.85	30.9.85
Assets	£m	£m	£m
Cash and short term funds	3,619.9	3,545.6	3,349.5
Investments	537.0	577.4	489.9
Advances and other accounts	10,393.8	10,434.1	10,894.7
Premises and equipment	14,486.7	14,537.1	14,524.1
Other assets	88.8	73.3	82.3
Liabilities	15,010.5	14,971.8	15,031.1
Deposits and customers' current accounts	12,929.1	13,312.7	13,174.8
Notes in circulation	363.5	326.5	345.6
Other liabilities	333.1	228.7	288.0
Dated loan capital	13,625.7	13,875.9	13,802.4
Undated loan capital	223.7	269.8	338.1
Minority interests	2.8	—	2.6
Shareholders' funds	921.8	823.1	892.0

NOTE
Following a decision by the directors, freehold and long leasehold buildings are no longer depreciated as the nature and appearance of these properties are maintained to the highest possible standard with the cost charged against operating profit. The effect on profits of this change is not material.

CONTRIBUTIONS TO PRE-TAX PROFIT (Excluding profit on sales of premises)	6 months ended 31.3.86	6 months ended 31.3.85	12 months ended 30.9.85
Domestic	55	53	49
International	12	21	23
Related services	33	26	28

The information given here does not comprise full accounts within the meaning of Section 254 of the Companies Act 1985. Full accounts for the year ended 30 September 1985 on which the auditors gave an unqualified report have been filed with the Registrar of Companies.

The unaudited profit before taxation for the six months ended 31 March 1986 amounted to £92.7 million, an increase of £16.8 million or 22.1 per cent. over the corresponding period last year. There has been a 14.0 per cent. increase in the earnings per ordinary share from 17.1p in 1985 to 19.5p.

The principal contributions to this increase came from higher net interest earnings of 15.8 per cent. and fee income ahead by 22.1 per cent. Offset against this was an increase in costs of 19.0 per cent. and a higher bad debt charge. Average base rate was 11.9 per cent. compared with 11.5 per cent. last year and the average margin between base rate and retail deposit rate went from 3.0 per cent. to 3.6 per cent.

One half of the increase in the charge for bad and doubtful debts flows from the accounts of subsidiary companies recently acquired. The increase of 12 per cent. in this charge for the Clearing Bank is, nevertheless, disappointing and reflects continuing problems encountered particularly by the oil service and shipping industries.

This is the first time that we have fully consolidated the operating profit figures of Charterhouse plc (formerly The Charterhouse Group plc) and whilst this has increased our overall costs it is pleasing to report a substantial contribution to profits from this source. Comparative figures have been adjusted accordingly.

On 30 October 1985, the company issued US\$350 million undated primary capital floating rate notes on a perpetual basis to strengthen its capital base and to redeem US\$150 million of dated subordinated loan capital.

The directors have declared half year dividends on the 11 per cent. and 5½ per cent. cumulative preference shares at the rate of 3.85 per cent. and 1.925 per cent. respectively. These dividends will be paid on 30 May 1986 to those preference shareholders registered on 9 May 1986. The directors have declared an interim dividend on the ordinary shares for the year to 30 September 1986 of 4.0p per share compared with 3.6p per share in 1985. This interim dividend will be paid on 1 July 1986 to those ordinary shareholders registered on 30 May 1986.

Chairman's Comments

On this, the first occasion on which we announce our profits since the merger of our clearing bank operations in September 1985, I am pleased to report that a further substantial increase has been achieved. This is heartening and tangible evidence of the success of our merger policy and we shall continue to pursue vigorously our dual objectives of expanding the range of our services and of creating a structure that will enable us to provide these services in a form that our customers require.

Examples of developments in the last six months which demonstrate this policy have been the introduction of the Complete Pension Scheme by The Royal Bank of Scotland and the announcement, in February 1986, of our intention to form a new, specialised subsidiary company to offer a full range of debt factoring services.

A further significant step in the development of the Group's securities and investment management services has been the recent acquisition by our merchant banking subsidiary, Charterhouse plc, of Tilney & Co, the major Liverpool-based stockbroking firm.

The immediate future will result in many fundamental changes in the structure of the financial services industry and we intend to build on the operating strengths derived from the merger and subsequent developments to ensure the future prosperity of the Group.

Michael Herries
Chairman

A copy of the Interim Statement is available from the Secretary, The Royal Bank of Scotland Group plc, 36 St Andrew Square, Edinburgh EH2 2YS.

Own brands boost for Nurdin & Peacock

BOOSTED BY the continued success of its own label goods, Nurdin & Peacock, cash and carry wholesaler, reported record results for the six weeks to April 1 1986. Pre-tax profits were up by 19 per cent on turnover 22 per cent higher.

The present year has started well and the company has expanded its exclusive label goods with the introduction of 26 fast-selling items under the Happy Shopper brand. The move has proved so successful that other lines are being added.

Taxable profits came out at £18.72m, against £13.16m for the previous 52 weeks, on a turnover of £712.77m (£596.1m). Earnings per 10p share were 12.6p (11p adjusted) and the directors are proposing a final payment of 4.12p (2p adjusted), making a total dividend for the year of 4.05p against 3.36p.

Mr Michael Peacock, chairman, says the highlights of the year apart from the jobless activities Nurdin celebrated its 175th anniversary and 25 years in the cash and carry business in 1985—were the continued success of the Peacock range, Red Band cigarettes, Jacobite whisky and Blauweister German wine.

During the year a new branch was opened in Gloucester and new premises were moved into at Colchester. In the present year another has opened in Wolverhampton and it is planned to move the Forth branch into larger premises.

comment
Nurdin & Peacock has turned in another increase in pre-tax profits, the 22nd in a row, although the rapid growth in sales suggests that turnover is being put on at the expense of margins. Stripping out profit sharing costs and the £3m contribution from factory and retail leases, sales are up 17 per cent, then trading margins have fallen from 1.76 per cent to 1.6 per cent. This reflects increased reliance on own brands in the cigarette and spirits markets (Red Band and Jacobite whisky in particular). While this shift should end the annual profit under the umbrella which the branded whisky makers, ever alert to their own interests, suggest that N&P is being driven into almost permanent loss leader selling under the pressure of the multiples.

The "Happy Shopper" range gives N&P the chance to attract retailers into the warehouses to buy higher margin products as a trade-off against its 1 per cent margin on the multiples. The castles are for around £27m pre-tax, which has the stars at 17p trading on a slightly upwardly prospective multiple of 12.

Molyx boosts profit

Molyx Holdings, manufacturer of equipment for closed circuit TV, has debuffed its profits for the second year running, an achievement in which the directors describe as most satisfactory.

Pre-tax profits came out at £242,178 compared with £121,616, and gross turnover rose by 12 per cent from £1.51m to £2.69m. Stated earnings per 20p share were up from 4.52p to 8.5p, and the dividend is increased from 1p to 1.5p (1.25p).

After four months of the current year, the directors say the encouraging trend has continued.

James Fisher

After another difficult year for the shipping industry, James Fisher and Sons, shipping group headed by Barry Furness, reported pre-tax profits of £3.85m, against £2.55m, on turnover up from £35.88m to £39.44m. Tax took £1.45m (£19,000) and there was an extraordinary debit of £11.87m (£370,000), leaving earnings per share at 6.71p (11.88p). The directors are recommending an unchanged final payment of 1.7p making a total for the year of 3.3p (3.2p).

Parkfield Group, the USM quoted engineer and electrical distributor has paid £17m for a press subcontracting subsidiary of Woodworth Holdings. The sum has been satisfied by the issue of 352,502 Parkfield shares which have been placed by brokers Panmure Gordon and Murray and Co at 48½p per share.

FREDERICK COOPER, steel processor, has entered into a conditional agreement to purchase the capital of Henderson Stainless Steel, a private company. Consideration will be satisfied by an issue of 598,000 ordinary which have been conditionally placed through the market on behalf of the vendors to realise a net cash sum of £985,000. In the year to June 30 1985, Henderson had pre-tax profits of £45,000 from turnover of £309,000. Under the acquisition agreement, the directors of Henderson have undertaken to make good any shortfall in pre-tax profits of £120,000 for the 12 months to July 31 1986.

Diploma shares slide as profits fall £2m midway

THE CITY yesterday wiped £30m off the market value of Diploma, electronics components manufacturer and distributor, on the announcement of a sharp and unexpected fall in profits for the first half of 1985/86, and a wary chairman's statement for the full year outcome.

Profits before tax fell £2.2m to £16.6m, a 20 per cent drop, as analysts' expectations of a more than 28m. Mr Christopher Thomas, the chairman, says that while second half prospects are more favourable, "good results" will depend on further overall recovery from the electronics sector.

The company's shares fell 54p yesterday to close at 90p, ending a run of 12 consecutive rises from £199m to £189.5m. The midway dividend is held at 1.25p on earnings per share of 6p against 5p. Last time share price fell to 82p on pre-tax profits of £15.5m.

Turnover fell from £46.12m to £44.73m at midway. Mr Thomas says that gross margins have been impossible to maintain. The company expected an unfavourable mix of volume in the semi-conductor business, with suppliers offering special low prices at very low threshold values, resulting in the contractual 20 per cent margin which accounted for an unprecedented percentage of turnover.

Market conditions are improving, he says, and the past four months have produced a "discernible increase in demand" and of manufacturers' prices. The European recovery is slow and much less than the reported indicators from the US. Overall, the chairman says that the long term prospects are very good.

The full year results will include those due to Diploma from its 32 per cent share of the German company Z2000, acquired last February. The interim results take in £176,000 from this source.

comment
Plummeting profits are hardly headline news in the semi-conductor industry. Yet the fall in Diploma's profits was far sharper than the City had expected—analysts had allowed for plunging prices but not for the parallel problem posed by the cost of establishing new franchises—and the share price, which emerged unscathed from last year's electronics sector slump, fell by 54p to 90p yesterday. Semi-conductor prices have stayed in the red for as long as although the City has long since recognised that the UK industry will recover as swiftly as the US, a slow but steady recovery is underway. Diploma has built up stocks in readiness and with its E 2000 investment should benefit from the recovery in West Germany. Within manufacturing the history of bidding will be balanced by the problems at Henry Whitham, which has been hard hit by the plunging price of oil. The company's profits of £18.5m for the year as a whole and a prospective p/e of 20.5 which, recovery or no, leaves Diploma looking markedly more expensive than comparable stocks in the sector.

Whessoe's £1.4m falls to meet City forecast

DIFFICULTIES in its heavy engineering division in particular, have reduced pre-tax profits of Whessoe by 66 per cent to £1.4m for the six months to March 31 1986. City analysts were looking for profits of around £1.5m to £2m.

In December Lord Erroll, the chairman said he did not expect profits for the current year to equal the previous year's but did not expect the shortfall to be large. In his interim statement he says that the group's performance in the second half should be in line with earlier expectations.

The interim dividend is being held at 2.5p, to be paid from earnings shown down from 6.5p to 3.9p per share. For 1984-85 the total payment was 5.2p.

Group turnover fell from £48.21m to £47.83m, with high pressure pipework down to £21.51m (£26.06m). Light engineering sector showed an increase to £14.7m (£12.25m) and heavy engineering was up from £18.57m to £22.85m.

The profit breakdown shows heavy engineering at £70,000 (£98,000), high pressure pipework at £1,400,000 (£374,000) and light engineering at £351,000 (£217,000).

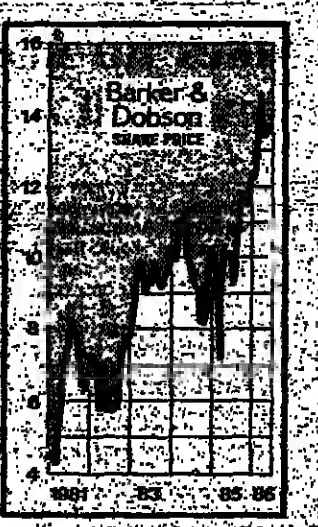
Centreway shows recovery

During 1984 and 1985, Centreway Industries was a 49.9 per cent related company. On January 1 1986 the shareholding was increased to 50.1 per cent and its turnover and pre-tax profits will be consolidated with the group's results for 1986.

Turnover of this holding company—its principal activities include engineering, financial advisory, rubber products, metal computers and the manufacturer of Westley jachets—remained unchanged at £2.96m. Profit on ordinary activities rose from £23,000 to £50,000—the 1984 loss included an exceptional debit of £156,000. Tax took £77,000 compared with a credit of £59,000. There were extraordinary debits of £28,000 (£498,000), and the loss per share was 4.3p against 6.3p. The director believes that, in current trading prospects, the group will improve its trading performance in 1986.

An analysis of pre-tax profits shows: financial services incurred losses of £30,000 (£44,000); industrial products had lower profits of £9,000 (£51,000); Centragron increased its losses from £92,000 to £112,000; Centreway Industries improved its profits from £108,000 to £113,000, and trading profits before exceptional items were £80,000 (£23,000). The exceptional debit last time was attributable to Centreway Industries.

Barker & Dobson 'has potential'



The loss per 1p share was 4.0p (1.50p) against a share price of 15p. There is no final payment.

During the period reported, profits increased by 22 per cent from £2.06m to £2.52m.

Clarke Hooper ready for USM placing

Clarke Hooper, the sales promotion consultancy, is coming to the USM next Tuesday through a placing. After the flotation, the company will be capitalised at just under £5m.

The company was founded in Slough, during the three-day week in 1974 by two former marketing executives, Mr Barry Clarke and Mr John Hooper, now the chairman and managing director respectively.

Since its inception, Clarke Hooper has increased profits, and possibly per employee, year after year. In the 1985-86 financial year, it produced an estimated turnover of £7.25m and pre-tax profits of £825,000.

In recent years, the company has received regular approaches from prospective bidders, chiefly from the ranks of the listed advertising agencies.

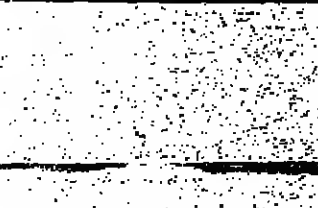
"We decided that we wanted to retain control of the company," said Mr Barry Clarke. "And we realised that although we have no immediate need of extra capital, in the longer term we will need greater resources, both for organic development and to expand the base of the business."

The Royal Bank of Scotland Group plc

£200,000,000 Floating Rate Notes 2005 of which £100,000,000 has been issued as the Initial Tranche

In accordance with the Terms and Conditions of the Notes, notice is hereby given that for the Interest Period from 6th May, 1986 to 6th August, 1986, the Notes will bear a Rate of Interest of 10.75 per annum. The amount of interest payable on 6th August, 1986 will be £132.33 per £5,000 Note, and £1,322.25 per £50,000 Note.

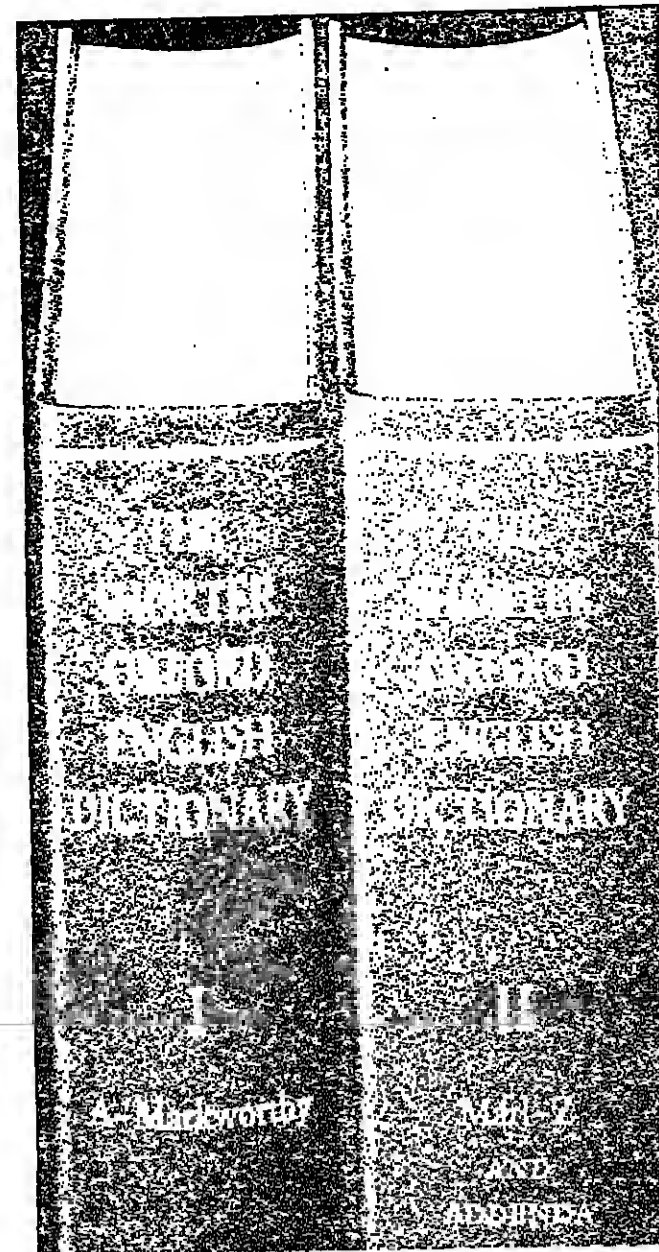
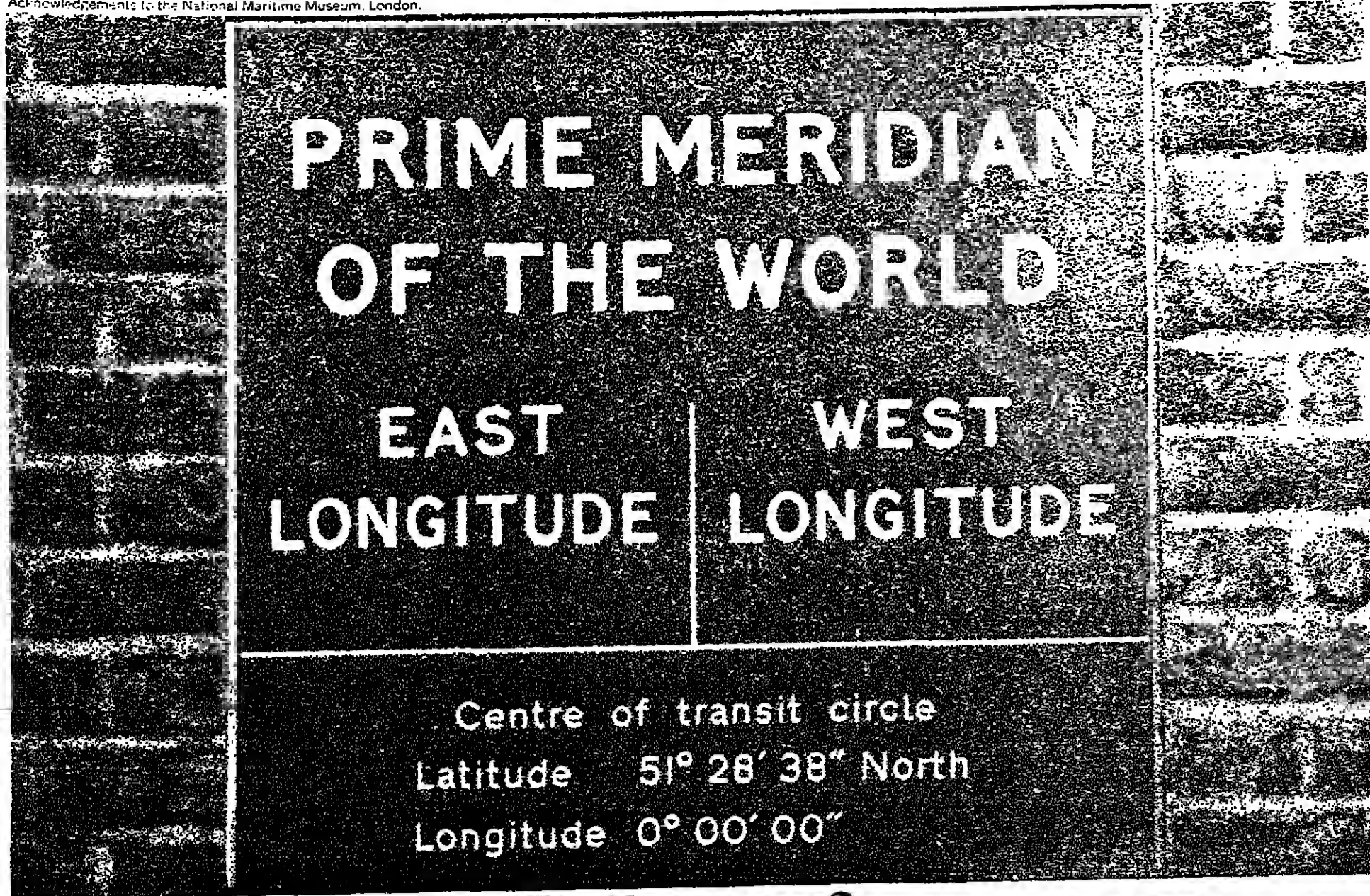
Agent Bank





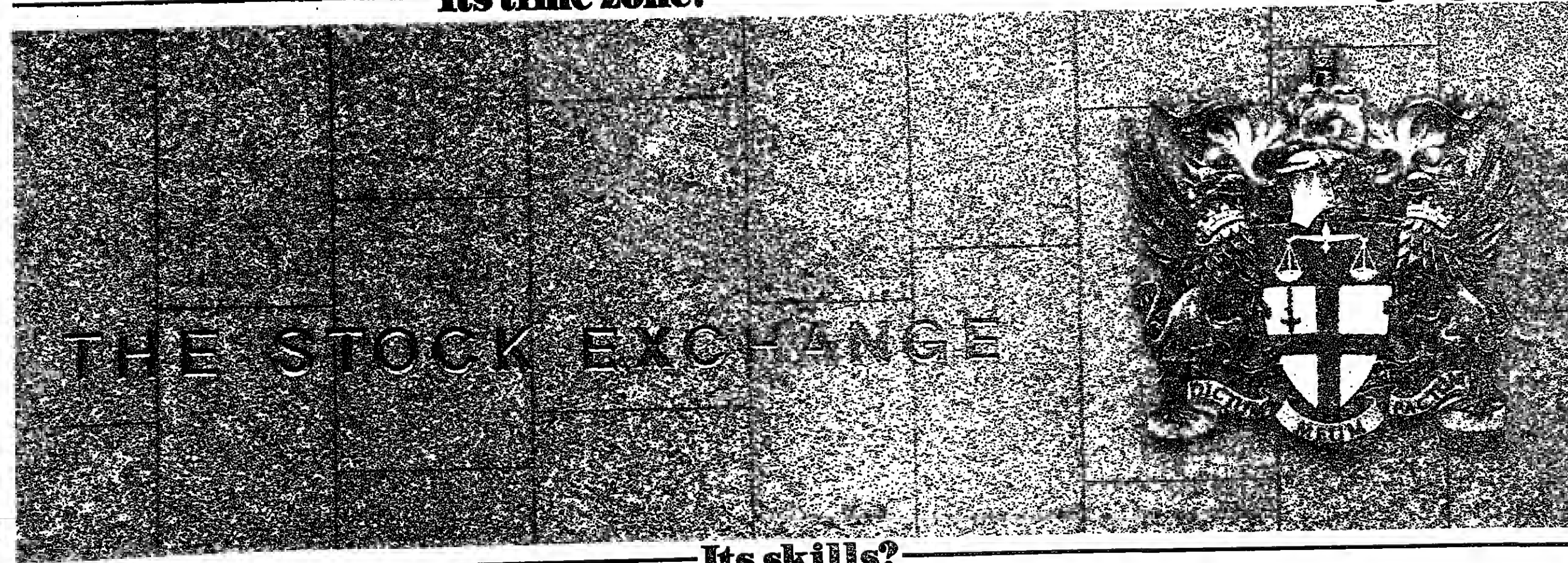
As a world financial centre, what is London's greatest advantage?

Acknowledgments to the National Maritime Museum, London.



Its time zone?

Its language?



Its skills?

Today, London, Tokyo and New York are the three capital cities of the world's financial market. But why London? Certainly, it helps that London speaks the language of international business. So does the fact that London is open for business when New York and Tokyo are closed. But it has even more to do with the skills and the success of financial businesses and financial institutions such as The Stock Exchange. These qualities have proved their worth for many years.

Members of The Stock Exchange channel billions of pounds of investment into industry. Directly and indirectly, The Stock Exchange is responsible for millions of jobs. But as the securities industry becomes more international, its contribution will be greater still. It will earn more foreign currency for Britain. By doing more foreign business. New technology will make it possible for markets in one country to trade in another country's shares - a growing business, as overseas investors, especially in the USA and Japan, seek investments

outside their domestic markets. And soon, international connections between computer systems will enable dealers based in a single centre to trade all round the world and right round the clock. It's true that these developments expose The Stock Exchange to the full blast of competition from other financial centres. But we prefer to look at it another way. And say that these developments expose other financial centres to the full blast of competition from The Stock Exchange.



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BUSINESS LAW

Difficult appeal cases tend to make poor law

By Celia Hampton

THE House of Lords has finally put a stop to the liberal trend in compensating for the loss of money...

The "economic loss" case, needless to say, involved a situation of an "extremely unusual character" and the losers could have avoided trouble had they been "property" advised...

The law of negligence is now good in the sense that it is sure, that ever that suing is not worth powder and shot unless you fall into a recognised category of loser...

While a consignment of Korean steel coils was still on board ship, its buyers and sellers agreed because the price of steel fell and the buyers could not resell and pay the agreed price...

parties, why should it be they who had to pay for the loss? The answer lies basically in the unwillingness to step outside its own self-imposed boundaries...

This is undeniably an ingenious, if not convoluted, argument. Will it be confined to copyright actions? There seems no reason to think so.

Lord Templeman, speaking for the majority, based his argument on the principle of "non-derogation from grant". This is a rule which prevents a person who sells or leases land from using any land he retains in a way which interferes with the buyer's/tenant's enjoyment of the land transferred...

It has not been applied to goods before. Without any need for the manufacturer to retain an interest in the goods sold, it clearly applies to spare parts for all consumer durables. But what else, in the hands of a persuasive barrister, could it not be applied to?

The judgment expressly subjects the subsequent buyers of the goods, so second-hand car owners have this right. It does not depend in any way on contract. But to what extent is it a positive right? Its expression as a copyright being on a puzzling. A "right" in law is something enforceable in its own hands. It is matched by someone else's duty to do or not to do something...

Copyright lawyers will also be in some perplexity with this case. By far the simplest course would be to follow Lord Griffiths in the minority who simply recommended overruling the awkward 1979 case...

By confining the case to copyright, the House of Lords majority would have kept judicial invention within bounds, but it could only have done this by overruling a precedent.

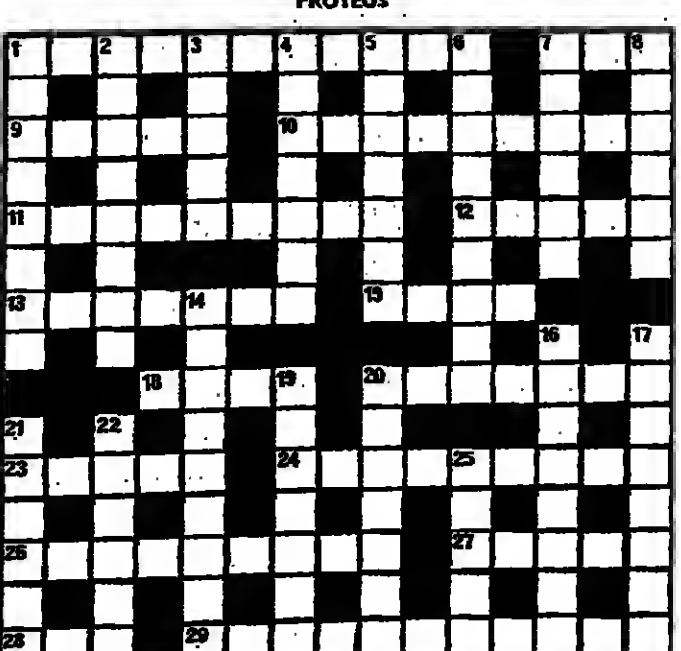
Foreign Exchange The Financial Times proposes to publish a Survey on the above subject on TUESDAY MAY 27 1986

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Aberdeen Unit Trusts, Abbey Unit Trusts, and others, with columns for name, type, and other details.

FT UNIT TRUST INFORMATION SERVICE

FT CROSSWORD PUZZLE No 6,016



- ACROSS 1 Make a statement about some portion of train (13) 2 Forbidden head-turning (3) 3 Control enforced by sound (5) 4 Striking something to mind about prayer (9) 5 Put into effect by child adults allowed over (9) 6 Always going back over point with this bird (5) 7 Article of clothing in which gentlemen conceal weapon (7) 8 Wants a new part; that's reasonable enough (4) 9 Stick with this card (4) 10 In supreme charge of protective clothing (7) 11 Article containing falsehood about foreigner (5) 12 Understanding the crowd (9) 13 Consciousness of judgment about one (9) 14 Party-giver holding one in lift (5) 15 Snare proving a back number (3) 16 One among living castle musicians useful in keeping things together (7,4) DOWN 1 Vehicle-bearing (6) 2 Chief role in causing sea to divide (4,4) 3 Is beer to be found outside passage-way? (5) 4 Anguish caused by unusual dynamite case? (7)

Foreign Exchange The Financial Times proposes to publish a Survey on the above subject on TUESDAY MAY 27 1986

INSURANCE, OVERSEAS & MONEY FUNDS

Table listing various insurance and overseas funds, including Standard Life Assurance Co Ltd, Teachers' Assurance Company Ltd, and Transatlantic Life Assur Co Ltd. Columns include fund names, managers, and performance metrics.

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Table listing insurance and overseas funds, including Zurich American Insurance Co, Zurich American Insurance Co, and Zurich American Insurance Co. Columns include fund names, managers, and performance metrics.

Table listing money funds and bank accounts, including Money Market Trust Funds, Money Market Bank Accounts, and Money Market Bank Accounts. Columns include fund names, managers, and performance metrics.

OFFSHORE AND OVERSEAS

Table listing offshore and overseas funds, including Allianz Capital Management, Allianz Capital Management, and Allianz Capital Management. Columns include fund names, managers, and performance metrics.

TRADITIONAL OPTIONS

Table listing traditional options, including 3-month call rates, 3-month call rates, and 3-month call rates. Columns include option names and rates.

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سوق المال

AUTHORISED UNIT TRUSTS & INSURANCES

Table listing various insurance companies and their financial details, including names like 'AA Friendly Society' and 'Abney Life Assurance Co Ltd'.

Table listing various unit trusts and their financial details, including names like 'Abney Life Assurance Co Ltd' and 'Abney Life Assurance Co Ltd'.

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INSURANCES

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COMMODITIES AND AGRICULTURE

Caribbean seeks way out of sugar squeeze

By Canute James in Kingston THE sugar industries of the English-speaking Caribbean are stepping up their efforts to rationalise and diversify in the face of a contracting market, low prices and chronic inefficiency.

Oil rises above \$15 in US

BY DOMINIC LAWSON THE crude oil price broke through the \$15 a barrel barrier on the New York Mercantile Exchange yesterday, a US company, Sun Oil, raised its posted crude oil price by \$1 to \$15 a barrel.

It is the first such increase since the price of crude began its collapse at the beginning of the year, in the wake of the Organisation of Petroleum Exporting Countries' decision to fight for a greater share of the stagnant world oil market.

Attack on EEC fish policy

BY ANDREW GOWERS THE EEC's Common Fisheries Policy has failed to encourage the development of an efficient fishing industry and has an in-built tendency to encourage over-fishing, according to a scathing report published by a Scottish research institute yesterday.

for fish is hampered by the existence of national fishing cartels, and the maintenance of income support mechanisms by fishermen has encouraged greater fishing effort than would otherwise occur.

Australian wheat outlook threat to wool price

THE AUSTRALIAN Wool Corporation has expressed concern that diminished prospects for wheat in Australia could lead to a significant shift of resources to sheep and wool.

Weekly Metals

All prices as supplied by Metal Bulletin. ANTIMONY: European free market, 99.5 per cent, \$ per lb, in warehouse, 2,760-2,810.

Brazil's aluminium hopes fade with weak prices

Brazil's hopes of storming the world aluminium market with supplies of cheap metal from the Amazon are looking somewhat shaky as depressed world prices cause concern over the smelter's current production bauxite for the region's two giant new smelters.

But Alumar may find it hard to win government approval for fresh power concessions for its planned 135,000-tonne per year expansion of metal capacity.



LONDON MARKETS

COFFEE and cocoa prices continued to fall yesterday as robust coffee futures came under renewed pressure in afternoon trading following a firmer tone in the morning.

INDICES

Table with columns for REUTERS, DOW JONES, and MAIN PRICE CHANGES, showing various market indices and their values.

US MARKETS

PRECIOUS METALS, which remained the steady tone of the previous session, continued to be a further recovery on the oil markets. However, best gains in silver and platinum had to be ceded on commission house profit-taking.

Table of US MARKET prices for various commodities including metals, grains, and oil.

ALUMINIUM

Unofficial + or - High/Low per tonne. Cash 761.5 -5.5 767.5/766. 5 months 742.25 -4 756/748

COOPER

Higher grade Unofficial + or - High/Low per tonne. Cash 830.0-5 835.0 3 months 834.5 -1.25 840.0/834

LEAD

Unofficial + or - High/Low per tonne. Cash 235.15 -8 240.25/240 3 months 245.75 -1.25 248.8/244

NICKEL

Unofficial + or - High/Low per tonne. Cash 2630.50 +20 2650.0/2630 3 months 2700.10 -62.5 2762.6/2670

TIN

Unofficial + or - High/Low per tonne. Cash 14,320.00 +100 14,420.00/14,320 3 months 14,800.00 -100 14,900.00/14,800

ZINC

Unofficial + or - High/Low per tonne. Cash 456.5 -4 460.5/456.5 3 months 465.5 -4 470.5/465.5

GOLD

Gold gained \$2 to \$247.94 in quiet trading on the London market yesterday. It opened at \$242.42 and was fixed at \$242.15 in the morning and \$242.45 in the afternoon.

SILVER

Silver was fixed 0.20 an ounce lower to \$10.20 in the London market yesterday at 336.25. US cent quotations of the Ring levels were: spot 316.1c, 1.5c, three-month 324.35c, 1.5c, and 12-month 349.4c, up 1.45c.

MEAT

Both pigmeat and beef prices closed unchanged and changed little in local markets yesterday. Reports Eastern Capital C&ST.

PIGMEAT

Unofficial + or - High/Low per cwt. Month 101.50 +0.20 101.00 +0.50 3 months 102.00 +0.50 101.50 +0.50

BEEF

Unofficial + or - High/Low per cwt. Month 101.50 +0.20 101.00 +0.50 3 months 102.00 +0.50 101.50 +0.50

WHEAT

Unofficial + or - High/Low per cwt. Month 118.90 +0.15 114.85 -0.25 3 months 118.90 +0.15 114.85 -0.25

GRAINS

Old crop wheat reacted sharply on the London market yesterday. It opened at 122.15 and was fixed at 122.15 in the morning and 122.15 in the afternoon.

SUGAR

Tea and Lyle delivery prices for granulated beet sugar were 243.50 (241.00) a tonne for export.

NEW YORK

ALUMINIUM 40,000 lbs. cents/lb. May 54.20 54.20 54.20 54.20

COFFEE

Unofficial + or - High/Low per cwt. May 1960 1960 1960 1960

COCOA

Unofficial + or - High/Low per tonne. May 1250 1250 1250 1250

SOYABEAN MEAL

Unofficial + or - High/Low per tonne. May 174 174 174 174

POTATOES

Unofficial + or - High/Low per tonne. May 140 140 140 140

FRIGHT FUTURES

Unofficial + or - High/Low per tonne. May 140 140 140 140

GAS OIL FUTURES

Unofficial + or - High/Low per tonne. May 155 155 155 155

CHICAGO

LIVE CATTLE 40,000 lbs. cents/lb. May 57.00 57.00 57.00 57.00

LIVE HOGS 30,000 lbs. cents/lb.

Unofficial + or - High/Low per tonne. May 48.50 48.50 48.50 48.50

MAIZE 5,000 bu. cents/bushel

Unofficial + or - High/Low per tonne. May 22.25 22.25 22.25 22.25

SOYABEANS 5,000 bu. cents/bushel

Unofficial + or - High/Low per tonne. May 32.25 32.25 32.25 32.25

CRUDE OIL (LIGHT) 42,000 US gallons

Unofficial + or - High/Low per tonne. May 159.10 159.10 159.10 159.10

WHEAT 5,000 bu. cents/bushel

Unofficial + or - High/Low per tonne. May 174 174 174 174

RUBBER

Unofficial + or - High/Low per tonne. May 140 140 140 140

CRUDE OIL - FOB 1st 100 barrels

Unofficial + or - High/Low per tonne. May 155 155 155 155

PRODUCTS - North West Europe

Unofficial + or - High/Low per tonne. May 155 155 155 155

CRUDE OIL - FOB 1st 100 barrels

Unofficial + or - High/Low per tonne. May 155 155 155 155

CRUDE OIL - FOB 1st 100 barrels

Unofficial + or - High/Low per tonne. May 155 155 155 155

CRUDE OIL - FOB 1st 100 barrels

Unofficial + or - High/Low per tonne. May 155 155 155 155

CRUDE OIL - FOB 1st 100 barrels

Unofficial + or - High/Low per tonne. May 155 155 155 155

NEW YORK

ALUMINIUM 40,000 lbs. cents/lb. May 54.20 54.20 54.20 54.20

COFFEE

Unofficial + or - High/Low per cwt. May 1960 1960 1960 1960

COCOA

Unofficial + or - High/Low per tonne. May 1250 1250 1250 1250

SOYABEAN MEAL

Unofficial + or - High/Low per tonne. May 174 174 174 174

POTATOES

Unofficial + or - High/Low per tonne. May 140 140 140 140

FRIGHT FUTURES

Unofficial + or - High/Low per tonne. May 140 140 140 140

GAS OIL FUTURES

Unofficial + or - High/Low per tonne. May 155 155 155 155

CRUDE OIL - FOB 1st 100 barrels

Unofficial + or - High/Low per tonne. May 155 155 155 155

CRUDE OIL - FOB 1st 100 barrels

Unofficial + or - High/Low per tonne. May 155 155 155 155

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Unofficial + or - High/Low per tonne. May 155 155 155 155

CRUDE OIL - FOB 1st 100 barrels

Unofficial + or - High/Low per tonne. May 155 155 155 155

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Late fall by dollar

The dollar weakened in late April around the day's lows. Reports of a large order to sell the US currency...

IN NEW YORK

Table with columns: May 7, Close, Prev. close. Rows: 3 month, 6 month, 12 month.

Forward premiums and discounts apply to the U.S. dollar.

Sterling finished at the day's peak against the dollar, gaining 70 points to \$1.645-1.645, but trading was quiet...

The D-mark showed little movement against the dollar, in quiet Frankfurt trading...

STERLING - Trading range against the dollar in 1986 is 1.6385 to 1.7700...

POUND SPOT-FORWARD AGAINST POUND

Table with columns: May 7, Days, Close, One month, % Three months, % Six months, % One year.

DOLLAR SPOT-FORWARD AGAINST DOLLAR

Table with columns: May 7, Days, Close, One month, % Three months, % Six months, % One year.

EXCHANGE CROSS RATES

Table with columns: May 7, \$, DM, Yen, FF, SFR, HFL, GB, SFR.

EURO-CURRENCY INTEREST RATES

Table with columns: May 7, Short term, 7 Days, 1 Month, 3 Months, 6 Months, One Year.

MONEY MARKETS

UK rates show little change

Interest rates were barely changed in London yesterday apart from a slight firming at the longer end...

MONEY RATES

Table with columns: May 7, One month, Two months, Three months, Six months, One year, Lombard Int'n.

FINANCIAL FUTURES

Nervous trading

Most contracts finished towards the day's lows in the London International Financial Futures Exchange yesterday...

JAPANESE YEN - Trading range against the dollar in 1986 is 202.70 to 165.05...

The yen fell slightly against the dollar in cautious trading on the Tokyo foreign exchange market...

PHILADELPHIA SE 1/2 OPTIONS

Table with columns: Strike, Call, Put, Price, Volume.

CHICAGO

Table with columns: Strike, Call, Put, Price, Volume.

LONDON

Table with columns: Strike, Call, Put, Price, Volume.

STERLING INDEX

Table with columns: May 7, Previous, 8.30 am, 9.00 am, 9.30 am, 10.00 am, 10.30 am, 11.00 am, 11.30 am, 12.00 pm, 1.00 pm, 1.30 pm, 2.00 pm, 2.30 pm, 3.00 pm, 3.30 pm, 4.00 pm.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: May 7, Euro, Currency, % change, % change since last week.

FT LONDON INTERBANK FIXING

Table with columns: Three months US dollars, Six months US dollars, Bid 0 1/2, Offer 0 1/2.

LONDON MONEY RATES

Table with columns: May 7, Over night, 7 days notice, Month, Three months, Six months, One year.

STERLING ASSETS OUTSTANDING

Table with columns: Market loans, Change on month, Bills, Change on month, Advances, Change on month.

FOREIGN CURRENCY ASSETS OUTSTANDING

Table with columns: Market loans and bills, Change on month, Advances, Change on month.

ACCEPTANCES OUTSTANDING

Table with columns: Change on month.

ELIGIBLE LIABILITIES OUTSTANDING

Table with columns: Change on month.

CONTRACTS AND TENDERS

APPLEDORE LTD.

(In Receivership) Sale by tender in one or more lots Modern Automated Cereal Production Equipment

Company Notices

NOTICE OF REPAYMENT BANQUE NATIONALE DE PARIS US\$150,000,000 FLOATING RATE

Legal Notices

IN THE MATTER OF THE ELEMENT ENGINEERING COMPANY LIMITED AND IN THE MATTER OF THE COMPANIES ACT 1985

Art Galleries

BROWNE & DAVY, 19, Cork Street, London W1D 6HS

London & Scottish banks' balances as at April 16 1986

THE TABLES below provide the first monthly indication of the trends of bank lending and deposits, ahead of the more comprehensive banking and money supply figures published later by the Bank of England.

Table with columns: Aggregate Balances, Liabilities, Assets, Total Deposits, Total Liabilities, Sterling Assets Outstanding, Foreign Currency Assets Outstanding, Acceptances Outstanding, Eligible Liabilities Outstanding.

TABLE 2. INDIVIDUAL GROUP BALANCES

Table with columns: Liabilities Outstanding, Sterling Assets Outstanding, Foreign Currency Assets Outstanding, Acceptances Outstanding, Eligible Liabilities Outstanding.

BRITISH FUNDS

Table of British Funds with columns for Name, Price, Dividend, and Yield.

Table of American Funds with columns for Name, Price, Dividend, and Yield.

Table of Canadian Funds with columns for Name, Price, Dividend, and Yield.

Table of Bank, HP & Leasing with columns for Name, Price, Dividend, and Yield.

Table of International Bank and Overseas Govt Sterling Issues with columns for Name, Price, Dividend, and Yield.

Table of Corporate Loans with columns for Name, Price, Dividend, and Yield.

Table of Commonweal and African Loans with columns for Name, Price, Dividend, and Yield.

Table of Loans with columns for Name, Price, Dividend, and Yield.

Table of Beers, Wines & Spirits with columns for Name, Price, Dividend, and Yield.

Table of Public Board and Ind. with columns for Name, Price, Dividend, and Yield.

Table of Financial with columns for Name, Price, Dividend, and Yield.

Table of Foreign Bonds & Rails with columns for Name, Price, Dividend, and Yield.

Table of Americans with columns for Name, Price, Dividend, and Yield.

LONDON SHARE SERVICE

BUILDING, TIMBER, ROADS—Cont.

Table of Building, Timber, and Roads stocks with columns for Name, Price, Dividend, and Yield.

DRAPERY & STORES—Cont.

Table of Drapery and Stores stocks with columns for Name, Price, Dividend, and Yield.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics stocks with columns for Name, Price, Dividend, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores stocks with columns for Name, Price, Dividend, and Yield.

ENGINEERING—Continued

Table of Engineering stocks with columns for Name, Price, Dividend, and Yield.

INDUSTRIALS—Continued

Table of Industrial stocks with columns for Name, Price, Dividend, and Yield.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, and other stocks with columns for Name, Price, Dividend, and Yield.

NOTELS AND CATERERS

Table of Hotels and Caterers stocks with columns for Name, Price, Dividend, and Yield.

INDUSTRIALS (Miscellaneous)

Table of Miscellaneous Industrial stocks with columns for Name, Price, Dividend, and Yield.

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Financial Times Thursday May 8 1986

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, bid, ask, and volume.

LEISURE—Continued

Table of leisure stocks including companies like British Airways, British Petroleum, and British Telecom.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including companies like British Airways, British Petroleum, and British Telecom.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including companies like British Airways, British Petroleum, and British Telecom.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising stocks including companies like British Airways, British Petroleum, and British Telecom.

PROPERTY—Continued

Table of property stocks including companies like British Airways, British Petroleum, and British Telecom.

SHOES AND LEATHER

Table of shoes and leather stocks including companies like British Airways, British Petroleum, and British Telecom.

SOUTH AFRICANS

Table of South African stocks including companies like British Airways, British Petroleum, and British Telecom.

TEXTILES

Table of textile stocks including companies like British Airways, British Petroleum, and British Telecom.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including companies like British Airways, British Petroleum, and British Telecom.

FINANCE, LAND—Cont.

Table of finance and land stocks including companies like British Airways, British Petroleum, and British Telecom.

MINES—Continued

Table of mine stocks including companies like British Airways, British Petroleum, and British Telecom.

Diamond and Platinum

Table of diamond and platinum stocks including companies like British Airways, British Petroleum, and British Telecom.

Central African

Table of Central African stocks including companies like British Airways, British Petroleum, and British Telecom.

Finance

Table of finance stocks including companies like British Airways, British Petroleum, and British Telecom.

OIL AND GAS

Table of oil and gas stocks including companies like British Airways, British Petroleum, and British Telecom.

Australians

Table of Australian stocks including companies like British Airways, British Petroleum, and British Telecom.

INSURANCES

Table of insurance stocks including companies like British Airways, British Petroleum, and British Telecom.

PROPERTY

Table of property stocks including companies like British Airways, British Petroleum, and British Telecom.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including companies like British Airways, British Petroleum, and British Telecom.

OVERSEAS TRADERS

Table of overseas trader stocks including companies like British Airways, British Petroleum, and British Telecom.

PLANTATIONS

Table of plantation stocks including companies like British Airways, British Petroleum, and British Telecom.

NOTES: Information regarding stock prices, dividends, and other financial details.

REGIONAL & IRISH STOCKS: Information regarding regional and Irish stocks.

LONDON STOCK EXCHANGE

MARKET REPORT

Account Dealing Dates
Option
*First Declares Last Account
Dealing Dates Day
Apr 28 May 5 May 9 May 19

Uncertain session ends with equities and Gilts sharply lower

Investors were lacking in confidence yesterday and London stock markets were forced to endure an uncertain trading session. The day brought intermittent bouts of selling and progressively lower prices for which a precise reason was difficult to pinpoint. The unease seemed to stem more from speculation regarding politics, persisting fund-raising worries and vague talk of several large lots of stock overhanging the market.

Wall Street's lower trend overnight and an adverse Press on Tuesday's UK monetary statistics made little impression on sentiment initially. Leading stocks were only marginally higher for the first two hours of business but from 11 onwards the decline gathered pace. Shares were resurrected of a Friday's two important by-elections. A double defeat for the Government could further sap investment confidence.

A resumption of New York's currency-led Lyons improved 3 to further pressure on the market and the FT-SE 100 share went lower still in the afternoon. Selling was reluctant to take on the day at 1,610.1. The FT Ordinary Share Index fell 22.8 to 1,946.7.

The pricing of 42m shares of George Wimpey at a price of 17p and several million shares of W. H. Smith absorbed some of the funds available for equity investment. Grove Charities Management announced later that its holding in George Wimpey had been reduced from 49.97 to 35 per cent.

Government securities suffered a fate similar to equities and longer maturities fell over a point. Traders appeared to have stock and were reluctant to take on more while the US bond market was wrestling with a series of Treasury bill auctions. Selling was reluctant to take on more while the US bond market was wrestling with a series of Treasury bill auctions.

RBS disappoints
Firmer at the outset to reply to a broker's clearing banks swiftly retreated in the wake of disappointing lorum results from Royal Bank of Scotland. RBS fell away to finish

16 down at 389p, while Lloyds additionally boosted in the early trade by rumours that Prudential had acquired a near-5 per cent stake in the bank, ended 4 lower at 629p, after 645p. NatWest closed 20 down at 855p, after 910p, while Barclays dropped 14 to 589p as did Midland to 562p, after 672p and 698p respectively. Bank of Scotland gave up 12 at 409p.

Insurances made a distinctly dull showing. Life issues were particularly vulnerable with sentiment here affected by reports of competition from building societies for personal pensions. Sun Life dropped 24 to 1,000p, Prudential 12 to 1,000p, while Legal and General cheapened 17 at 739p and 740p. Plus were resurrected of a Friday's two important by-elections. A double defeat for the Government could further sap investment confidence.

The deteriorating 1 one prompted dealers to mark leading Building issues progressively lower. George Wimpey following a large share placing of some 42m shares settled 7 down at 17p. Lack of support left RBS 16 down at 389p, while Lloyds additionally boosted in the early trade by rumours that Prudential had acquired a near-5 per cent stake in the bank, ended 4 lower at 629p, after 645p. NatWest closed 20 down at 855p, after 910p, while Barclays dropped 14 to 589p as did Midland to 562p, after 672p and 698p respectively. Bank of Scotland gave up 12 at 409p.

Harris Queensway fall
Harris Queensway's call for fresh funds via a £71m rights issue prompted renewed dullness in leading Stores. HQ fell away sharply on the news, which accompanied the interim figures, to close 28 down on balance at 249p. While Woolworths gave up 15 at 420p. Falls of 10 were seen in Burton, 29p, Dixons, 35p, and Sainsbury, 29p. Marks and Spencer cheapened 2.5 per cent to 208p ahead of today's preliminary figures, while Sears reacted 4 at 120p; the latter's annual results are scheduled for next Tuesday. Secondary issues again featured jewellery concern H. Samuel; the ordinary advanced 40 more to 310p and the "A" 8 afresh to 124p, after

FINANCIAL TIMES STOCK INDICES

Table with columns for Government Secs, Fixed Interest, Ordinary, Gold Mines, and various indices for 1986, 1985, 1984, 1983, 1982, 1981, 1980.

HIGHS AND LOWS

Table with columns for Govt. Secs, Fixed Int., Ordinary, Gold Mines, and High/Low values for 1986 and 1985.

S.E. ACTIVITY

Table with columns for Govt. Secs, Fixed Int., Ordinary, Gold Mines, and S.E. Activity values for 1986 and 1985.

22p, on further consideration of the bid approach from Raters. Raters were quoted at 157p, while the new mid-paid shares opened at 38p premium, touched 48p and closed at 46p premium. Lee Cooper rallied 11 to 182p on further consideration of the results, but fading bid hopes clipped 6 from Empire at 206p.

Brecham were not far behind and closed 10 lower at 353p. Pilkington gave up 12 to 429p and Huels lost 5 more to 252p. Trafalgar House closed a few pence cheaper at 299p after the interim figures and the announcement of a recommended share price of 25p and Eenergy Capital 4 to 10 good at 30p, while Iceland's Flogas improved 4 more to 160p—a two-day rise of 18.

The recent spectacular advance by Mr. Ron Brierley's Tower Kemsley—the share jumped 53 during the previous two trading sessions—was halted by the emergence of some hefty profit-taking which lowered the quotation to 203p before a close of 206p. A neat fall of 11 Kemsley Motor, where Tozer recently gained control, put on 6 to 336p, after 341p.

All the major sectors of mining markets continued to suffer from lack of interest. South African golds were barely steady and in most cases tumbled to lose ground despite a firmer trend in the bullion price and reported support from the Continent. Bullion gradually edged higher to close a net 2p firmer at 394.75 an ounce—its first improvement for four trading sessions. Top quality Golds generally showed falls in the region of 1, while the cheaper price issues were highlighted by Welkom which dipped 18 to 43p. The Gold Mines gave up 4.5 to 264.5.

Another advance to record levels by Australian Industrials (ERD) in the North Sea, Oil LASKO, with a 25.5 per cent stake in the discovery, gave up 2 to 110p. Secondary issues showed Premier Consolidated a shade better at 26p and Eenergy Capital 4 to 10 good at 30p, while Iceland's Flogas improved 4 more to 160p—a two-day rise of 18. The recent spectacular advance by Mr. Ron Brierley's Tower Kemsley—the share jumped 53 during the previous two trading sessions—was halted by the emergence of some hefty profit-taking which lowered the quotation to 203p before a close of 206p. A neat fall of 11 Kemsley Motor, where Tozer recently gained control, put on 6 to 336p, after 341p.

RECENT ISSUES

Table with columns for Issue No., Issue Name, Price, and other details.

FIXED INTEREST STOCKS

Table with columns for Issue No., Issue Name, Price, and other details.

RIGHTS OFFERS

Table with columns for Issue No., Issue Name, Price, and other details.

Announcement date usually last day for dealing time of issue. Figures based on prospectus estimates. *Assumed dividend and yield. *Forecast dividend cover on average updated. *Forecast dividend cover on average updated. *Forecast dividend cover on average updated.

TRADITIONAL OPTIONS

Table with columns for Option Name, Price, and other details.

RISERS AND FALLS YESTERDAY

Table with columns for Category, Name, and Price.

LONDON TRADED OPTIONS

Table with columns for Option Name, Price, and other details.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns for Equity Groups & Sub-sections, Index, and various data points.

FIXED INTEREST

Table with columns for Price Indices, Yield, and other financial data.

YESTERDAY'S ACTIVE STOCKS

Table with columns for Stock Name, Price, and other details.

TUESDAY'S ACTIVE STOCKS

Table with columns for Stock Name, Price, and other details.

EUROPEAN OPTIONS EXCHANGE

Table with columns for Series, Price, and other details.

TOTAL VOLUME IN CONTRACTS: 38,065. A=Aak, B=Bid, C=Call, D=Put

1 Flat yield. Highs and lows record, dates, values and consistent changes are published in Saturday Issues. A new list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London EC4A 3DF, page 159, by post 20p.

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WORLD STOCK MARKETS

Table of stock market data for Austria, Germany, Belgium/Luxembourg, Denmark, France, and Netherlands.

Table of stock market data for Norway, Australia (continued), Japan (continued), and Sweden.

Table of stock market data for Canada (Toronto), Hong Kong, and Singapore.

Table of stock market data for New York (Dow Jones), South Africa, and various indices.

Table of stock market data for Montreal and various indices.

OVER-THE-COUNTER

Table of over-the-counter stock prices for various companies.

Over-the-counter Nasdaq national market, 3pm prices

Table of over-the-counter Nasdaq national market prices.

Over-the-counter NYSE Consolidated 1500 Actives

Table of over-the-counter NYSE Consolidated 1500 Actives.

Over-the-counter LONDON Chief price changes

Table of over-the-counter LONDON Chief price changes.

Over-the-counter FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

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Advertisement for 'HOW TO ORDER THE FT FOR MORNING DELIVERY IN:' listing various cities and contact information.

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Prices at 3pm, May 7

Main table of stock prices with columns for 12 Month, High, Low, Stock, Div. Yld., P/E, 100s High, Low, Close, Prev. Close, and various other metrics for numerous stocks.

Handwritten Arabic text: حركات الاسواق

NYSE COMPOSITE PRICES

AMEX COMPOSITE PRICES

Prices at 3pm, May 7

NYSE Composite Prices table with columns for Stock, Price, High, Low, Change, and Volume. Includes sub-sections for 'Continued from Page 38' and 'Bonds'.

AMEX Composite Prices table with columns for Stock, Price, High, Low, Change, and Volume. Includes sub-sections for 'D', 'E', 'F', 'G', 'H', 'I', 'J', 'K', 'L', 'M', 'N', 'O', 'P', 'Q', 'R', 'S', 'T', 'U', 'V', 'W', 'X', 'Y', 'Z'.

OVER-THE-COUNTER Nasdaq national market, 3pm prices

Over-the-Counter table with columns for Stock, Price, High, Low, Change, and Volume. Includes sub-sections for 'A', 'B', 'C', 'D', 'E', 'F', 'G', 'H', 'I', 'J', 'K', 'L', 'M', 'N', 'O', 'P', 'Q', 'R', 'S', 'T', 'U', 'V', 'W', 'X', 'Y', 'Z'.

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Continued on Page 37

FINANCIAL TIMES

WORLD STOCK MARKETS

WALL STREET

Deterred by doubts over rate moves

WEAKNESS in the federal bond market undermined Wall Street stocks yesterday, writes Terry Byland in New York.

Selling pressure was moderate, but stocks fell sharply across a broad front as buyers backed away from uncertainties over US interest rates and the dollar.

Government bonds dipped a full point, with higher prices for crude oil futures heightening nervousness ahead of this week's auctions of long-dated Treasuries, which represent a significant test of market confidence.

Stock prices opened lower, with IBM suffering a selling bout. Investors appeared uneasy and several analysts predicted renewed profit-taking before prices find a new trading range. Mid-morning brought a selling bout, and losses soon ranged from the blue chips to the broader market.

At 3pm the Dow Jones industrial average was down 20.84 at 1,787.11.

The leading market indices received a downward push from IBM, which fell \$4 1/4 to \$150 in hefty selling. A Morgan Stanley analyst downgraded estimates for IBM's 1986 and 1987 profits by 7 per cent. This is a sharper cut than those

made recently by other brokerage analysts concerned about the implications for IBM of competitive pressures in the industry - pressures now heightened by the planned Burroughs-Sperry merger.

Sperry again topped the NYSE actives list, but the price fell 1 1/4 to \$69 1/4, a shade under the Burroughs \$70-a-share terms. Wall Street expects Burroughs to prevail, but some arbitrageurs, who paid more than \$70 for the shares on Tuesday, clearly hope to see the offer sweetened.

Burroughs had another active session, shading only 1/4 to \$63, and thus holding most of the gain which indicates the stock market's bullish view of its move. The other computer stocks held up well, with the exception of Digital Equipment, which will be challenged directly if the Sperry-Burroughs merger takes effect. At \$17 3/4 Digital tumbled \$3 1/4.

Despite predictions of another cut in discount rate soon by sub gurus as Dr Henry Kaufman of Salomon Bros and Mr Lyle Gramley, former governor of the Federal Reserve, banks turned smartly downwards. Chase Manhattan at \$42 1/2 lost \$1 1/2, Bankers Trust fell \$1 1/4 to \$45 1/2 and J.P. Morgan, Wall Street's favourite banking stock, eased \$ 1/4 to \$59 1/2. American Express fell 1 1/2 to \$59 1/2.

Wells Fargo, at \$89 1/2, shed \$ 1/2 despite an upgrading of its debt by Moody's Investors Services, which favourably reviewed the purchase of Crocker Bank from Midland Bank of the UK.

General Electric fell \$ 1/4 to \$7 1/2 in brisk trading, and several other defence-orientated issues lost ground on the House Budget Committee's plans for deep cuts in the Reagan defence propos-

als. General Dynamics, at \$82, fell \$2 1/4, and Lockheed gave up \$ 1/4 to \$55.

The upturn in crude oil futures in New York had little effect on oils. Exxon shed \$ 1/2 to \$57 1/2 in heavy trading, but this seemed to reflect the general malaise of the stock market.

Airlines, however, responded nervously to signs that the long slide in fuel prices might be over. American fell \$ 1/4 to \$56 1/4 and Delta \$ 1 to \$48.

Weakness in airline and rail stocks again took toll of the Dow transportation average, bringing a loss of 10 points at mid-session. Inability of the transportation average to scale new peaks has been regarded as a pointer to underlying weakness elsewhere.

PepsiCo fell \$ 1/4 to \$87 despite increased takeover speculation lifted Black & Decker \$ 1/2 to \$22 1/2.

Bond prices extended early losses as the dollar weakened on the foreign exchange markets. As bids were opened for the \$8bn of 10-year Treasury notes on the block, yields on comparable issues edged up to 7.53 per cent.

The short end of the credit market remained sluggish, however, behind federal funds at 8 1/2 per cent after the Fed again supplied \$2.5bn in customer repurchases, the eighth successive daily dose.

TOKYO

Peaks again despite \$ uncertainties

DOMESTIC demand-linked and middle-priced blue chips were bought in Tokyo yesterday as the Nikkei average scaled a new peak for the third consecutive session, writes Shigeo Nishizaki of Jiji Press.

Investors quickly switched between issues selected to gain immediate profits amid uncertainty about yen-dollar exchange movements.

The Nikkei average put on 53.70 to 15,953.85 on a trading volume of 742.65m shares, up from 509.32m on Tuesday. Advances outnumbered declines 461 to 401, with 111 issues unchanged.

Construction remained popular, reflecting the Japanese Government's move to start working out new measures to defuse the deflationary effects on the economy of the yen's upswing against the dollar following the Tokyo summit.

Buying focused on medium-sized contractors. Nishimatsu Construction was the second busiest stock with 20.53m shares traded. It gained ¥10 to ¥565. Sumitomo Construction, third busiest with 19.72m shares traded, added ¥19 to ¥429 while Okumura rose ¥15 to ¥370.

However, Taisei, the most active stock on Tuesday, shed ¥11 to ¥489. Tohohima dropped ¥30 to ¥715 and Daiwa House ¥10 to ¥1,480.

With the dollar moving narrowly in the ¥165 range, blue chips were sought. JVC gained ¥30 to ¥3,020, backed by strong demand for its video camera-recorder system. Olympus added ¥40 to ¥1,230 and Casio Computer ¥80 to ¥1,730.

Hitachi ended ¥8 up at ¥910 after surging ¥21 in the afternoon. NEC firmed ¥20 to ¥1,510 and Matsushita Electric Industrial ¥20 to ¥1,550.

In an extension of Tuesday's strength, department stores and other consumer stocks were favoured on mounting hopes that the Government may cut consumption tax to boost domestic demand. Mitsukoshi posted the sixth largest trading volume of 15.93m shares and soared ¥78 to ¥1,010. Takashimaya climbed ¥94 to ¥804 and Matsuya ¥50 to ¥900.

Some properties firmed. Tokyu Land gained ¥35 to ¥554 and Tokyu Tatemono ¥20 to ¥1,410.

Bond trading was conducted mainly by securities companies and other dealers. Institutional investors remained on the sidelines awaiting the outcome of a tender for 30-year US government bonds scheduled for today.

The yield on the benchmark 62 per cent government bond due in July 1995 declined from Tuesday's 4.630 per cent to 4.620 per cent. The yield on the 5.1 per cent government bond maturing in March 1996 fell from 4.610 to 4.590 per cent, reflecting hopes that it would become the bellwether bond.

LONDON

Undermined by a bout of selling

CONFIDENCE was lacking in London yesterday, and intermittent bouts of selling forced prices lower.

Rumours that Allied Lyons would make a £500m rights issue re-emerged, and traders also began to show concern over today's two important by-elections.

The FTSE 100 dropped 26.1 to close at 1,610.1, and the FT Ordinary share index lost 22.8 to 1,345.7.

The placing of 42m shares of George Wimpey at 174p a share and several million shares of W.H. Smith absorbed some of the funds available for investment.

Longer-dated gilt fell by more than a point while activity was seen among the Chinese: 5 per cent 1995 Boxer bond, which rose about 2 points to £23.

Chief price changes, Page 37; Details, Page 36; Share information service, Pages 34-35.

SINGAPORE

BARGAIN HUNTING sent Singapore higher as sentiment was boosted by the outcome of East Malaysia's state elections.

Stocks approved for purchase with Central Provident Fund money continued to outperform the market yesterday. Metal Box surged 11 cents to S\$1.85.

Banks were the day's favourites, with DBS adding 6 cents to S\$4.90 and OCBC 10 cents to S\$6.15, but Malayan Banking dropped 4 cents to S\$3.26.

Industrials were also popular. Singapore Press gained 10 cents to S\$6.10. National Iron 15 cents to S\$2.58 and Rothmans 4 cents to S\$3.74.

HONG-KONG

INTEREST from overseas investors combined with profit-taking in Hong Kong, leaving prices mostly mixed.

The Hang Seng index rose 7.49 to 1,855.65 on turnover up at HK\$332.50m compared with HK\$293.45m in the previous session.

Property and industrial issues attracted most attention and banks gained on speculation of a local interest rate cut.

Bank of East Asia added 10 cents to HK\$20, and Hongkong Bank 5 cents to HK\$7.15 while Hang Seng Bank fell 25 cents to HK\$39.50.

Hongkong and China Gas gained 30 cents to HK\$15.10.

AUSTRALIA

INDUSTRIALS continued their record advance in Sydney yesterday, pushing the All Ordinaries share index to a peak of 1,238.99, up 0.6.

Enthusiasm was fuelled by bullish profit forecasts at News Limited, Australia's largest company in terms of market capitalisation. It jumped AS1.50 to a record AS28.00.

The BHP bid battle remained quiet with the industrial group nudging ahead only 2 cents to AS7.55. Bell Resources continued lower, dropping 5 cents to AS4.25 ex-rights, while Bell Group, the parent, was steady at AS8.54.

SOUTH AFRICA

GOLDS failed to hold firmer opening prices and closes narrowly mixed ahead of today's holiday.

Driefontein eased back 25 cents to close at R53.25, Free State Consolidated firmed 25 cents to R36.25 and Gold Fields SA added 50 cents to R35.50.

Elsewhere, mining financial Anglo American lost 35 cents to R41.65, Diamond share De Beers was 20 cents down at R24.30 and Rustenburg Platinum was unchanged at R31.50.

EUROPE

Mixed bag ahead of holidays

THE EFFECTS of interest rates, exchange rates and holidays produces a mixed bag of results in Europe yesterday.

By the end of the day some of the major bourses, such as Brussels and Paris, were well up on the previous session while others, such as Frankfurt, had slipped lower.

The cut in Belgium's official interest rate helped to boost Brussels sharply higher again ahead of the market's closure for a holiday today and tomorrow.

Foreign buying continued to increase, encouraging local investors despite the effects of Tuesday's one-day post and transport strike. Financial holding companies and utilities led much of the rise following Société Générale de Belgique's announcement of a one-for-10 rights issue. It closed Bfr 10 up at Bfr 3,150. Groupe Bruxelles Lambert jumped Bfr 130 to Bfr 3,600.

Chemicals also showed good gains in contrast to mixed movements earlier this week. Solvay added Bfr 90 to Bfr 8,520 and UCB Bfr 100 to Bfr 7,150. However, Gevaert slipped Bfr 160 to Bfr 6,100. Oils and steels were also higher.

Pre-holiday lethargy helped to trim Frankfurt of gains scored earlier in the week. Investors were also worried about movements of exchange rates and interest rates.

The Commerzbank index lost all of its 22-point gain on Tuesday to close 22.4 lower at 2,098.9.

Few sectors were untouched by the decline, with banks, electricals, chemicals and motors the hardest hit in moderately active trading.

Among banks Deutsche lost DM 5 to DM 847, Dresdner DM 5.50 to DM 453.50 ex-rights and Commerzbank DM 3 to DM 341.

Motor stock BMW lost DM 1 to DM 578 after reporting slightly lower 1985 profits but announcing a one-for-four rights issue. VW lost DM 9 to DM 618.50, and Daimler shed DM 39 to DM 1,406.

3 to DM 305, helped by Tuesday's first-quarter profit figures, which were slightly down. However, BASF shed DM 6.50 to DM 298 and Hoechst DM 4.80 to DM 295 ex-rights.

Among electricals AEG lost DM 4.50 to DM 355 on news of flat 1985 operating profits, and Siemens shed DM 4.30 to DM 648.50.

Bonds fell by around 30 basis points, and the Bundesbank sold DM 34.7m worth of domestic paper after selling DM 76.7m on Tuesday.

Interest-rate worries also affected Amsterdam which was depressed by a sharp fall in first-quarter profits by N.V. Philips, the Dutch electrical group.

The ANP-CBS General index closed down 3.0 at 254.6.

Philips ended the session FI 4.30 down at FI 56.70. Among other market leaders, Unilever closed FI 2.50 lower at FI 428, Royal Dutch lost FI 1.20 to FI 189.50, KLM lost 70 cents to FI 47.80 and Hoogovens eased FI 2.90 to FI 104.50.

Foreign buyers gave a boost to Zurich which was also helped by lower interest rates and the steady tone of the dollar.

Insurance stocks proved popular, with Winterthur bearer up SFr 350 to SFr 7,500 and Zurich Insurance bearer adding SFr 275 to SFr 8,775.

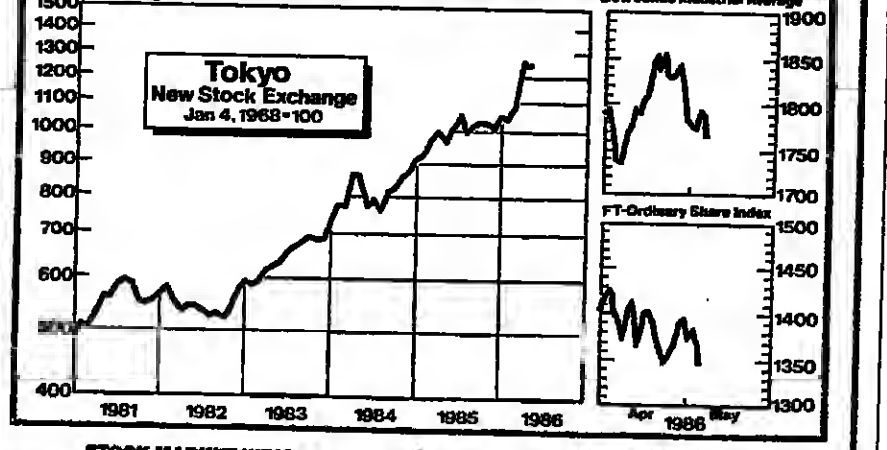
Paris moved higher again although many investors stayed on the sidelines ahead of tomorrow's holiday.

Moët-Hennessy, the rosebush-to-champagne group, continued to rise, adding Ffr 36 to Ffr 2,580, appliance group Moulinex added Ffr 6 to Ffr 100 but oil group Elf-Aquitaine shed Ffr 9 to Ffr 350.

Profit-taking on industrials left Milan mixed after closing higher earlier this week. Fiat added L15 to L14,050 on hopes of higher 1986 sales. However, insurer Generali lost L400 to L142,800 and chemical group Montedison slipped L59 to L4,450.

Pre-holiday lethargy resulted in thin trading in Stockholm, which closed firmer, while Madrid lost ground.

KEY MARKET MONITORS



STOCK MARKET INDICES			
	May 7	Previous	Year ago
NEW YORK			
DJ Industrials	1,767.11	1,787.25	1,252.76
DJ Transport	786.05	788.82	588.46
DJ Utilities	181.10	183.73	157.47
S&P Composite	235.03	237.24	180.76
LONDON			
FT Ord	1,345.7	1,368.5	986.5
FT-SE 100	1,510.1	1,636.2	1,307.9
FT-A All-share	786.05	807.33	629.86
FT-A 500	870.31	882.82	691.27
FT Gold mines	254.5	256.4	476.5
FT-A Long gilt	8.01	8.96	10.73

CURRENCIES			
	US DOLLAR	STERLING	
(London)	May 7	Previous	May 7
\$	2.1975	2.2075	3.3875
Yen	165.05	166.2	254.5
SFr	7.0	7.03	10.785
SFr	1.83075	1.8455	2.8225
Quadrant	2.474	2.489	3.8125
Lira	1,511.0	1,515.0	2,324.0
CS*	44.85	45.1	69.1
CS*	1,3797	1,3768	2,1237

INTEREST RATES			
Euro-currencies (3-month offered rate)			
	May 7	Prev	
2	10%	10%	
SPM	4 1/4%	4%	
DM	4%	4%	
FF	7%	7 1/2%	

US BONDS			
Treasury			
	May 7	Prev	
6% 1988	99 1/2%	6.847	8.75
7% 1993	100	7.371	100 1/2%
8% 1996	109 1/2%	7.519	110
9% 2018	120 1/2%	7.545	120 1/2%

FINANCIAL FUTURES			
CHICAGO			
	Latest	High	Low
US Treasury Bonds (CBT)			
8% 32nds of 100%			
June	99-24	99-30	99-13
100-16			
US Treasury Bills (TBM)			
\$1m points of 100%			
June	94.09	94.11	94.05
94.13			

COMMODITIES			
	May 7	Prev	
(London)			
Silver (spot fixing)	336.20p	336.40p	
Copper (cash)	£930.25	£942.50	
Coffee (May)	£2,078.50	£2,108.00	
Oil (Brent blend)	\$14.35	\$13.575	

GOLD (per ounce)			
	May 7	Prev	
(London)			
London	\$342.75	\$340.75	
2 1/2mch	\$342.05	\$340.85	
Paris (fixing)	\$342.80	\$340.96	
Luxembourg	\$342.20	\$341.75	
New York (June)	\$343.50	\$344.00	

FINANCIAL FUTURES			
LONDON			
	Latest	High	Low
Three-month Eurodollar			
\$1m points of 100%			
June	93.29	93.33	93.27
93.34			
20-year National Gilt			
£50,000 32nds of 100%			
June	125-19	125-14	125-18
125-23			

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